

ARTICLE IX

PART 1. GENERAL PROVISIONS LEGISLATIVE INTENT

Sec. 9-1.01. **Limitations.** The provisions of this Article and all other Articles of this Act are limitations on the appropriations made by this Act. It is the purpose of the Legislature in enacting this bill only to appropriate funds and to restrict and limit by its provisions the amount and conditions under which the appropriations can be expended.

PART 2. PROVISIONS RELATING TO THE POSITION CLASSIFICATION PLAN

Sec. 9-2.01. **Position Classification Plan.** Except as otherwise specifically provided in this Act, expenditures of appropriations for the salaries of employees, in classified positions in all affected agencies appropriated funds by this Act, other than institutions of higher education, university system offices, the Texas Higher Education Coordinating Board, and the Texas National Research Laboratory Commission, are governed by Chapter 654, Government Code (the Position Classification Act), Chapter 659, Government Code, and this section, including the following lists of position classification numbers, position titles, salary group allocations, and rates of pay in classification salary schedules as provided by this Article. As used with respect to salary ranges, "minimum" means the lowest rate in a salary range; "midpoint" means the rate designated as Step 5 in Salary Schedule A; "midpoint" for Salary Schedule B may be determined by adding the minimum and maximum rates of a salary group and dividing the sum by two; and "maximum" means the highest rate designated in a salary range. With respect to Salary Schedule C, annual rates listed are actual salaries to be paid to employees in the applicable salary groups, except for ranges in C1 and C10 that allow for career development progressions as established by the agencies.

DETAILED LISTING OF ALL SCHEDULE A CLASSIFIED POSITIONS

Class Number	Position Title	Salary Group
0004	Switchboard Operator I	A4
0006	Switchboard Operator II	A5
0008	Switchboard Operator Supervisor	A6
0051	Clerk I	A2
0053	Clerk II	A4
0055	Clerk III	A6
0057	Clerk IV	A8
0059	Clerk V	A10
0131	Secretary I	A5
0133	Secretary II	A6
0135	Secretary III	A7
0137	Secretary IV	A9
0147	Word Processing Operator I	A6
0148	Word Processing Operator II	A8
0149	Word Processing Operator III	A10
0150	Administrative Technician I	A8
0152	Administrative Technician II	A11
0154	Administrative Technician III	A13
0156	Administrative Technician IV	A15
0201	Data Entry Operator I	A4
0203	Data Entry Operator II	A6
0205	Data Entry Operator III	A8
0207	Data Entry Operator IV	A10
0216	ADP Record Control Clerk I	A5
0218	ADP Record Control Clerk II	A7
0220	ADP Record Control Clerk III	A9
0221	ADP Equipment Operator I	A7
0223	ADP Equipment Operator II	A9
0225	ADP Equipment Operator III	A11
0227	ADP Equipment Operator IV	A14
0235	Systems Support Specialist I	A10
0236	Systems Support Specialist II	A12
0237	Systems Support Specialist III	A14
0238	Systems Support Specialist IV	A16
0330	Printing Services Technician I	A7
0331	Printing Services Technician II	A9
0332	Printing Services Technician III	A11
0333	Printing Services Technician IV	A13
0334	Printing Services Technician V	A15
0335	Printing Services Technician VI	A16
0340	Microfilm Camera Operator I	A6
0341	Microfilm Camera Operator II	A8
0350	Micrographics Technician I	A9
0352	Micrographics Technician II	A11
0354	Micrographics Technician III	A13
0356	Micrographics Technician IV	A15
0361	Photographer I	A10
0363	Photographer II	A12
0365	Photographer III	A14
0367	Photographer IV	A16

DETAILED LISTING OF ALL SCHEDULE A CLASSIFIED POSITIONS
(Continued)

0540	Research Assistant I	A11
0542	Research Assistant II	A13
0810	Teacher Aide I	A6
0812	Teacher Aide II	A9
0814	Teacher Aide III	A13
1240	Reimbursement Officer I	A9
1242	Reimbursement Officer II	A11
1244	Reimbursement Officer III	A13
1246	Reimbursement Officer IV	A15
1248	Reimbursement Officer V	A17
1360	Sample Technician I	A6
1362	Sample Technician II	A8
1364	Sample Technician III	A10
1370	Seed Technician I	A8
1372	Seed Technician II	A10
1374	Seed Technician III	A12
1376	Seed Technician IV	A14
1378	Seed Technician V	A16
1727	Human Resources Assistant	A11
1780	Training Assistant	A11
1840	Audio/Visual Technician I	A9
1841	Audio/Visual Technician II	A11
1842	Audio/Visual Technician III	A14
1843	Audio/Visual Technician IV	A16
1912	Inventory Coordinator I	A12
1913	Inventory Coordinator II	A14
1970	Contract Technician I	A9
1972	Contract Technician II	A11
1974	Contract Technician III	A13
2119	Engineering Aide	A6
2121	Engineering Technician I	A8
2122	Engineering Technician II	A10
2123	Engineering Technician III	A12
2124	Engineering Technician IV	A14
2125	Engineering Technician V	A16
2166	Graphics Designer I	A12
2167	Graphics Designer II	A14
2168	Graphics Designer III	A16
2178	Drafting Technician I	A8
2179	Drafting Technician II	A11
2180	Drafting Technician III	A13
2181	Drafting Technician IV	A15
2182	Drafting Technician V	A17
2690	Fish and Wildlife Technician I	A8
2691	Fish and Wildlife Technician II	A10
2692	Fish and Wildlife Technician III	A13
2693	Fish and Wildlife Technician IV	A15
2695	Park Ranger I	A6
2696	Park Ranger II	A8
2697	Park Ranger III	A10
2698	Park Ranger IV	A12

DETAILED LISTING OF ALL SCHEDULE A CLASSIFIED POSITIONS
(Continued)

2823	Insurance Technician I	A8
2824	Insurance Technician II	A10
3151	Unemployment Insurance Claims Examiner I	A10
3152	Unemployment Insurance Claims Examiner II	A12
3153	Unemployment Insurance Claims Examiner III	A13
3154	Unemployment Insurance Claims Examiner IV	A14
3565	Legal Secretary I	A9
3566	Legal Secretary II	A11
3567	Legal Secretary III	A13
3620	Deputy Clerk I	A9
3622	Deputy Clerk II	A11
3624	Deputy Clerk III	A14
3626	Deputy Clerk IV	A17
4001	Dietetic Technician I	A7
4002	Dietetic Technician II	A9
4140	Laboratory Technician I	A5
4142	Laboratory Technician II	A7
4144	Laboratory Technician III	A9
4146	Laboratory Technician IV	A11
4290	Radiological Technologist Assistant	A3
4291	Radiological Technologist I	A6
4292	Radiological Technologist II	A8
4293	Radiological Technologist III	A11
4294	Radiological Technologist IV	A13
4340	Orthopedic Equipment Assistant	A6
4342	Orthopedic Equipment Technician I	A8
4344	Orthopedic Equipment Technician II	A10
4346	Orthopedic Equipment Technician III	A12
4348	Therapist Technician I	A2
4349	Therapist Technician II	A4
4350	Therapist Technician III	A5
4351	Therapist Technician IV	A7
4352	Therapist Technician V	A9
4360	Registered Therapist Assistant	A11
4370	Medical Aide I	A2
4372	Medical Aide II	A4
4374	Medical Aide III	A5
4376	Medical Aide IV	A7
4385	Medical Technician I	A9
4386	Medical Technician II	A11
4387	Medical Technician III	A13
4428	Respiratory Care Practitioner	A11
4430	Licensed Vocational Nurse I	A9
4432	Licensed Vocational Nurse II	A11
4481	Dental Assistant I	A4
4482	Dental Assistant II	A6
4483	Dental Assistant III	A8
4489	Dental Hygienist	A16
4497	Pharmacy Technician I	A6
4498	Pharmacy Technician II	A8
4499	Pharmacy Technician III	A10

DETAILED LISTING OF ALL SCHEDULE A CLASSIFIED POSITIONS
(Continued)

4501	Correctional Officer I	A7
4502	Correctional Officer II	A9
4503	Correctional Officer III	A11
4520	Juvenile Correctional Officer I	A7
4521	Juvenile Correctional Officer II	A9
4522	Juvenile Correctional Officer III	A11
4523	Juvenile Correctional Officer IV	A13
4524	Juvenile Correctional Officer V	A15
4560	Counsel Substitute I	A11
4561	Counsel Substitute II	A13
4562	Counsel Substitute III	A15
4571	Correctional Transportation Officer	A12
4646	Industrial Specialist I	A11
4647	Industrial Specialist II	A12
4648	Industrial Specialist III	A13
4649	Industrial Specialist IV	A14
4650	Industrial Specialist V	A16
4651	Industrial Specialist VI	A18
4671	Agriculture Specialist I	A12
4672	Agriculture Specialist II	A13
4673	Agriculture Specialist III	A14
4674	Agriculture Specialist IV	A15
4675	Agriculture Specialist V	A16
5085	Rehabilitation Technician I	A11
5086	Rehabilitation Technician II	A13
5078	Chaplaincy Services Assistant I	A9
5079	Chaplaincy Services Assistant II	A11
5080	Chaplaincy Services Assistant III	A12
5120	MHMR Services Aide	A3
5121	MHMR Services Assistant I	A5
5122	MHMR Services Assistant II	A6
5123	MHMR Services Assistant III	A7
5124	MHMR Services Supervisor	A9
5140	Recreation Program Specialist I	A9
5142	Recreation Program Specialist II	A11
5144	Recreation Program Specialist III	A13
5146	Recreation Program Specialist IV	A14
5201	Houseparent I	A6
5203	Houseparent II	A8
5205	Houseparent III	A11
5501	Human Services Technician I	A2
5502	Human Services Technician II	A4
5503	Human Services Technician III	A6
5504	Human Services Technician IV	A7
5505	Human Services Technician V	A9
5550	Child Support Technician I	A9
5551	Child Support Technician II	A11
5552	Child Support Technician III	A13
6090	Communications Center Specialist I	A8
6091	Communications Center Specialist II	A9
6092	Communications Center Specialist III	A10

DETAILED LISTING OF ALL SCHEDULE A CLASSIFIED POSITIONS
(Continued)

6095	Police Communications Operator I	A12
6096	Police Communications Operator II	A13
6097	Police Communications Operator III	A14
6098	Police Communications Operator IV	A15
6114	Fingerprint Technician I	A10
6115	Fingerprint Technician II	A11
6116	Fingerprint Technician III	A12
6117	Fingerprint Technician IV	A14
6220	Public Safety Records Technician I	A7
6221	Public Safety Records Technician II	A9
6222	Public Safety Records Technician III	A10
6230	Security Officer I	A8
6232	Security Officer II	A10
6234	Security Officer III	A12
6240	Security Worker I	A2
6242	Security Worker II	A3
6244	Security Worker III	A5
6246	Security Worker IV	A7
7350	Library Assistant I	A7
7352	Library Assistant II	A9
7354	Library Assistant III	A11
8001	Custodian I	A2
8003	Custodian II	A3
8005	Custodian III	A5
8007	Custodian IV	A8
8021	Custodial Manager I	A11
8023	Custodial Manager II	A13
8025	Custodial Manager III	A15
8031	Groundskeeper I	A4
8032	Groundskeeper II	A5
8033	Groundskeeper III	A7
8102	Food Service Worker I	A2
8103	Food Service Worker II	A3
8104	Food Service Worker III	A5
8105	Food Service Manager I	A9
8106	Food Service Manager II	A13
8107	Food Service Manager III	A16
8116	Cook I	A3
8117	Cook II	A4
8118	Cook III	A6
8202	Sewing Room Worker	A2
8203	Sewing Room Supervisor	A6
8251	Laundry Worker I	A2
8252	Laundry Worker II	A3
8253	Laundry Worker III	A5
8254	Laundry Worker IV	A6
8260	Laundry Manager I	A9
8261	Laundry Manager II	A11
8262	Laundry Manager III	A14
8263	Laundry Manager IV	A16
8301	Barber/Cosmetologist I	A5

DETAILED LISTING OF ALL SCHEDULE A CLASSIFIED POSITIONS
(Continued)

8302	Barber/Cosmetologist II	A6
8400	Canteen Manager I	A10
8401	Canteen Manager II	A13
9003	Maintenance Assistant I	A2
9004	Maintenance Assistant II	A3
9034	Air Conditioning and Boiler Operator I	A7
9035	Air Conditioning and Boiler Operator II	A9
9036	Air Conditioning and Boiler Operator III	A11
9037	Air Conditioning and Boiler Operator IV	A14
9041	Maintenance Technician I	A6
9042	Maintenance Technician II	A8
9043	Maintenance Technician III	A9
9044	Maintenance Technician IV	A11
9045	Maintenance Technician V	A13
9047	Electrical and Air Conditioning Mechanic I	A11
9048	Electrical and Air Conditioning Mechanic II	A12
9049	Electrical and Air Conditioning Mechanic III	A14
9050	Electrical and Air Conditioning Mechanic IV	A16
9051	Maintenance Supervisor I	A10
9052	Maintenance Supervisor II	A12
9053	Maintenance Supervisor III	A14
9054	Maintenance Supervisor IV	A15
9055	Maintenance Supervisor V	A16
9305	Transportation Maintenance Specialist I	A13
9306	Transportation Maintenance Specialist II	A15
9307	Transportation Maintenance Specialist III	A16
9308	Transportation Maintenance Specialist IV	A17
9309	Transportation Maintenance Specialist V	A18
9321	Vehicle Driver I	A2
9322	Vehicle Driver II	A5
9323	Vehicle Driver III	A7
9324	Vehicle Driver IV	A9
9416	Motor Vehicle Technician I	A8
9417	Motor Vehicle Technician II	A10
9418	Motor Vehicle Technician III	A12
9419	Motor Vehicle Technician IV	A14
9510	Machinist I	A10
9512	Machinist II	A12
9514	Machinist III	A14
9632	Aircraft Mechanic I	A13
9634	Aircraft Mechanic II	A15
9636	Aircraft Mechanic III	A17
9700	Radio Communications Technician I	A9
9702	Radio Communications Technician II	A11
9704	Radio Communications Technician III	A12
9706	Radio Communications Technician IV	A14
9732	Machine Service Technician I	A11
9733	Machine Service Technician II	A13
9734	Machine Service Technician III	A16

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS

Class Number	Position Title	Salary Group
0160	Executive Assistant I	B9
0162	Executive Assistant II	B11
0233	ADP Supervisor I	B8
0234	ADP Supervisor II	B10
0239	Programmer I	B6
0240	Programmer II	B8
0241	Programmer III	B10
0242	Programmer IV	B12
0243	Programmer V	B14
0244	Programmer VI	B16
0254	Systems Analyst I	B8
0255	Systems Analyst II	B10
0256	Systems Analyst III	B12
0257	Systems Analyst IV	B14
0258	Systems Analyst V	B16
0271	Data Base Administrator I	B8
0272	Data Base Administrator II	B10
0273	Data Base Administrator III	B12
0274	Data Base Administrator IV	B14
0275	Data Base Administrator V	B16
0281	Telecommunications Specialist I	B6
0282	Telecommunications Specialist II	B8
0283	Telecommunications Specialist III	B10
0284	Telecommunications Specialist IV	B12
0285	Telecommunications Specialist V	B14
0287	Network Specialist I	B8
0288	Network Specialist II	B10
0289	Network Specialist III	B12
0290	Network Specialist IV	B14
0291	Network Specialist V	B16
0515	Planning Assistant	B8
0516	Planner I	B9
0517	Planner II	B11
0518	Planner III	B12
0519	Planner IV	B13
0600	Research Specialist I	B7
0602	Research Specialist II	B9
0604	Research Specialist III	B10
0606	Research Specialist IV	B11
0608	Research Specialist V	B13
0620	Statistician I	B1
0622	Statistician II	B4
0624	Statistician III	B7
0626	Statistician IV	B9
0640	Economist I	B8
0642	Economist II	B10
0644	Economist III	B12
0660	Governor's Advisor I	B15
0662	Governor's Advisor II	B18
0664	Governor's Advisor III	B20

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

0666	Governor's Advisor IV	B21
1010	Accountant I	B3
1012	Accountant II	B5
1014	Accountant III	B8
1016	Accountant IV	B9
1018	Accountant V	B11
1020	Accountant VI	B12
1022	Accountant VII	B13
1040	Auditor I	B5
1042	Auditor II	B7
1044	Auditor III	B9
1046	Auditor IV	B11
1048	Auditor V	B13
1050	Auditor VI	B15
1059	Taxpayer Compliance Officer I	B3
1060	Taxpayer Compliance Officer II	B4
1061	Taxpayer Compliance Officer III	B6
1062	Taxpayer Compliance Officer IV	B8
1063	Taxpayer Compliance Officer V	B10
1073	Accounts Examiner I	B3
1074	Accounts Examiner II	B5
1075	Accounts Examiner III	B7
1076	Accounts Examiner IV	B9
1077	Accounts Examiner V	B10
1080	Financial Analyst I	B11
1082	Financial Analyst II	B13
1084	Financial Analyst III	B15
1100	Financial Examiner I	B5
1102	Financial Examiner II	B7
1104	Financial Examiner III	B9
1106	Financial Examiner IV	B11
1108	Financial Examiner V	B13
1110	Financial Examiner VI	B15
1112	Financial Examiner VII	B17
1130	Investment Analyst I	B12
1131	Investment Analyst II	B15
1132	Investment Analyst III	B18
1133	Investment Analyst IV	B20
1140	Manager of External Money Managers I	B15
1142	Manager of External Money Managers II	B17
1144	Manager of External Money Managers III	B19
1150	Portfolio Manager I	B18
1151	Portfolio Manager II	B20
1152	Portfolio Manager III	B21
1153	Portfolio Manager IV	B22
1155	Budget Analyst I	B6
1156	Budget Analyst II	B9
1157	Budget Analyst III	B11
1158	Budget Analyst IV	B13
1160	Trader I	B12
1161	Trader II	B16

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

1162	Trader III	B19
1163	Chief Trader	B22
1165	Chief Investment Officer	B22
1170	Investment Fund Director	B22
1320	Inspector I	B1
1321	Inspector II	B3
1322	Inspector III	B5
1323	Inspector IV	B7
1324	Inspector V	B8
1325	Inspector VI	B10
1326	Inspector VII	B12
1350	Investigator I	B4
1351	Investigator II	B6
1352	Investigator III	B8
1353	Investigator IV	B9
1354	Investigator V	B10
1355	Investigator VI	B12
1356	Investigator VII	B13
1550	Staff Services Officer I	B8
1551	Staff Services Officer II	B10
1552	Staff Services Officer III	B11
1553	Staff Services Officer IV	B12
1554	Staff Services Officer V	B13
1563	Program Administrator I	B9
1564	Program Administrator II	B10
1565	Program Administrator III	B11
1566	Program Administrator IV	B12
1567	Program Administrator V	B13
1570	Program Specialist I	B9
1571	Program Specialist II	B10
1572	Program Specialist III	B11
1573	Program Specialist IV	B12
1574	Program Specialist V	B13
1575	Program Specialist VI	B15
1600	Manager I	B13
1601	Manager II	B14
1602	Manager III	B15
1603	Manager IV	B16
1604	Manager V	B17
1620	Director I	B17
1621	Director II	B18
1622	Director III	B19
1623	Director IV	B20
1624	Director V	B21
1640	Deputy Comptroller	B22
1729	Human Resources Specialist I	B5
1731	Human Resources Specialist II	B7
1733	Human Resources Specialist III	B9
1735	Human Resources Specialist IV	B11
1737	Human Resources Specialist V	B13
1781	Training Specialist I	B5

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

1782	Training Specialist II	B7
1783	Training Specialist III	B9
1784	Training Specialist IV	B11
1785	Training Specialist V	B13
1821	Marketing Specialist I	B4
1822	Marketing Specialist II	B6
1823	Marketing Specialist III	B8
1824	Marketing Specialist IV	B10
1830	Information Specialist I	B6
1831	Information Specialist II	B8
1832	Information Specialist III	B10
1833	Information Specialist IV	B13
1850	Methods and Procedures Specialist I	B6
1851	Methods and Procedures Specialist II	B8
1870	Technical Writer I	B7
1871	Technical Writer II	B9
1880	State and Federal Relations Representative I	B15
1881	State and Federal Relations Representative II	B17
1882	State and Federal Relations Representative III	B19
1954	Purchaser I	B4
1955	Purchaser II	B6
1956	Purchaser III	B8
1957	Purchaser IV	B10
1976	Contract Specialist I	B7
1978	Contract Specialist II	B8
1980	Contract Specialist III	B9
2050	Land Surveyor I	B11
2052	Land Surveyor II	B12
2054	Land Surveyor III	B13
2060	Appraiser I	B5
2061	Appraiser II	B7
2062	Appraiser III	B9
2063	Appraiser IV	B10
2064	Appraiser V	B11
2065	Appraiser VI	B13
2080	Right of Way Agent I	B4
2082	Right of Way Agent II	B6
2084	Right of Way Agent III	B8
2086	Right of Way Agent IV	B10
2091	Utility Specialist I	B9
2092	Utility Specialist II	B11
2093	Utility Specialist III	B12
2094	Utility Specialist IV	B13
2127	Engineering Specialist I	B9
2128	Engineering Specialist II	B10
2129	Engineering Specialist III	B11
2130	Engineering Specialist IV	B12
2131	Engineering Specialist V	B13
2132	Engineering Specialist VI	B14
2135	Engineering Assistant I	B6
2137	Engineering Assistant II	B7

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

2139	Engineering Assistant III	B8
2141	Engineer I	B9
2142	Engineer II	B10
2143	Engineer III	B11
2144	Engineer IV	B12
2145	Engineer V	B13
2146	Engineer VI	B15
2147	Engineer VII	B17
2251	Project Design Assistant I	B6
2253	Project Design Assistant II	B7
2255	Project Design Assistant III	B8
2256	Architect I	B9
2258	Architect II	B10
2260	Architect III	B11
2262	Architect IV	B12
2264	Architect V	B13
2351	Geologist Assistant I	B6
2353	Geologist Assistant II	B7
2355	Geologist Assistant III	B8
2356	Geologist I	B9
2358	Geologist II	B10
2360	Geologist III	B11
2362	Geologist IV	B12
2364	Geologist V	B13
2551	Hydrologist Assistant I	B6
2553	Hydrologist Assistant II	B7
2555	Hydrologist Assistant III	B8
2556	Hydrologist I	B9
2558	Hydrologist II	B10
2560	Hydrologist III	B11
2562	Hydrologist IV	B12
2564	Hydrologist V	B13
2661	Chemist I	B5
2662	Chemist II	B7
2663	Chemist III	B9
2664	Chemist IV	B11
2665	Chemist V	B13
2666	Chemist VI	B15
2670	Sanitarian I	B3
2671	Sanitarian II	B5
2672	Sanitarian III	B7
2673	Sanitarian IV	B9
2674	Sanitarian V	B11
2675	Sanitarian VI	B13
2680	Natural Resources Specialist I	B3
2681	Natural Resources Specialist II	B5
2682	Natural Resources Specialist III	B7
2683	Natural Resources Specialist IV	B9
2684	Natural Resources Specialist V	B11
2685	Natural Resources Specialist VI	B13
2687	Park Manager I	B6

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

2688	Park Manager II	B8
2689	Park Manager III	B10
2721	Deputy State Fire Marshal I	B5
2722	Deputy State Fire Marshal II	B7
2723	Deputy State Fire Marshal III	B9
2724	Deputy State Fire Marshal IV	B11
2730	Safety Officer I	B7
2731	Safety Officer II	B9
2732	Safety Officer III	B11
2733	Safety Officer IV	B13
2740	Risk Management Specialist I	B7
2741	Risk Management Specialist II	B9
2742	Risk Management Specialist III	B10
2743	Risk Management Specialist IV	B12
2744	Risk Management Specialist V	B13
2760	Rescue Specialist I	B6
2761	Rescue Specialist II	B8
2762	Rescue Specialist III	B9
2763	Rescue Specialist IV	B11
2815	Actuary I	B11
2816	Actuary II	B12
2817	Actuary III	B13
2818	Actuary IV	B15
2819	Actuary V	B17
2820	Actuary VI	B19
2821	Actuary VII	B20
2822	Chief Actuary	B22
2841	Insurance Specialist I	B4
2842	Insurance Specialist II	B6
2843	Insurance Specialist III	B8
2844	Insurance Specialist IV	B9
2845	Insurance Specialist V	B10
2911	Retirement System Benefits Specialist I	B2
2912	Retirement System Benefits Specialist II	B4
2913	Retirement System Benefits Specialist III	B6
2914	Retirement System Benefits Specialist IV	B8
3020	Employment Specialist I	B2
3021	Employment Specialist II	B3
3022	Employment Specialist III	B4
3023	Employment Specialist IV	B5
3024	Employment Specialist V	B6
3025	Employment Specialist VI	B7
3026	Employment Specialist VII	B8
3141	Labor Market Analyst I	B4
3142	Labor Market Analyst II	B5
3143	Labor Market Analyst III	B7
3144	Labor Market Analyst IV	B8
3171	Unemployment Insurance Specialist I	B7
3172	Unemployment Insurance Specialist II	B8
3173	Unemployment Insurance Specialist III	B9
3195	Unemployment Tax Specialist	B8

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

3501	Attorney I	B9
3502	Attorney II	B11
3503	Attorney III	B13
3504	Attorney IV	B15
3505	Attorney V	B17
3510	Assistant Attorney General I	B9
3511	Assistant Attorney General II	B11
3512	Assistant Attorney General III	B13
3513	Assistant Attorney General IV	B15
3514	Assistant Attorney General V	B17
3515	Assistant Attorney General VI	B19
3516	Assistant Attorney General VII	B20
3520	General Counsel I	B13
3521	General Counsel II	B15
3522	General Counsel III	B17
3523	General Counsel IV	B19
3524	General Counsel V	B20
3557	Hearings Reporter I	B8
3558	Hearings Reporter II	B10
3559	Hearings Reporter III	B12
3561	Appellate Court Peace Officer	B6
3570	Legal Assistant I	B4
3572	Legal Assistant II	B6
3574	Legal Assistant III	B8
3576	Legal Assistant IV	B10
3600	Law Clerk I	B1
3602	Law Clerk II	B2
3604	Law Clerk III	B3
3610	Court Law Clerk	B9
3630	Chief Deputy Clerk	B13
3635	Clerk of the Court	B17
3640	Judge I	B15
3642	Judge II	B17
3644	Judge III	B18
3650	Title IV-D Master I	B18
3652	Title IV-D Master II	B20
3660	Ombudsman I	B9
3662	Ombudsman II	B10
3670	Benefit Review Officer I	B10
3672	Benefit Review Officer II	B12
4005	Dietitian I	B3
4006	Dietitian II	B5
4007	Dietitian III	B7
4014	Nutritionist I	B3
4015	Nutritionist II	B5
4016	Nutritionist III	B7
4017	Nutritionist IV	B10
4018	Nutritionist V	B12
4070	Public Health Technician I	B3
4072	Public Health Technician II	B5
4074	Public Health Technician III	B7

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

4076	Public Health Technician IV	B9
4081	Epidemiologist I	B9
4082	Epidemiologist II	B11
4083	Epidemiologist III	B13
4084	Epidemiologist IV	B15
4125	Veterinarian I	B14
4127	Veterinarian II	B16
4219	Microbiologist I	B3
4220	Microbiologist II	B5
4221	Microbiologist III	B7
4222	Microbiologist IV	B9
4223	Microbiologist V	B11
4224	Microbiologist VI	B13
4225	Microbiologist VII	B15
4361	Registered Therapist I	B4
4362	Registered Therapist II	B6
4363	Registered Therapist III	B8
4364	Registered Therapist IV	B10
4365	Registered Therapist V	B11
4366	Registered Therapist VI	B13
4400	Medical Technologist I	B3
4401	Medical Technologist II	B5
4402	Medical Technologist III	B7
4403	Medical Technologist IV	B9
4404	Medical Technologist V	B11
4405	Medical Technologist VI	B13
4434	Physician I	B10
4435	Physician II	B16
4436	Physician III	B20
4437	Physician IV	B21
4438	Physician V	B22
4442	Nurse I	B6
4444	Nurse II	B8
4446	Nurse III	B10
4448	Nurse IV	B12
4450	Nurse V	B13
4452	Medical Research Specialist I	B15
4453	Medical Research Specialist II	B17
4455	Dentist I	B16
4457	Dentist II	B18
4460	Psychologist I	B12
4462	Psychologist II	B14
4464	Psychologist III	B16
4466	Psychological Assistant	B4
4467	Associate Psychologist I	B7
4468	Associate Psychologist II	B8
4469	Associate Psychologist III	B9
4470	Associate Psychologist IV	B10
4471	Associate Psychologist V	B11
4472	Associate Psychologist VI	B12
4475	Psychiatrist I	B19

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

4476	Psychiatrist II	B20
4477	Psychiatrist III	B21
4478	Psychiatrist IV	B22
4490	Pharmacist I	B10
4491	Pharmacist II	B12
4492	Pharmacist III	B14
4493	Pharmacist IV	B16
4495	Pharmacologist	B15
4510	Sergeant of Correctional Officers	B5
4511	Lieutenant of Correctional Officers	B7
4512	Captain of Correctional Officers	B8
4513	Major of Correctional Officers	B10
4540	Parole Officer I	B6
4541	Parole Officer II	B7
4542	Parole Officer III	B8
4543	Parole Officer IV	B10
4544	Parole Officer V	B12
4550	Assistant Warden	B13
4551	Warden I	B14
4552	Warden II	B15
5001	Social Service Worker I	B3
5002	Social Service Worker II	B4
5003	Social Service Worker III	B5
5006	Social Service Supervisor I	B7
5007	Social Service Supervisor II	B8
5023	Protective Services Specialist I	B4
5024	Protective Services Specialist II	B6
5025	Protective Services Specialist III	B7
5026	Protective Services Specialist IV	B8
5027	Protective Services Specialist V	B9
5030	Disability Determination Examiner I	B7
5031	Disability Determination Examiner II	B8
5032	Disability Determination Examiner III	B9
5033	Disability Determination Examiner IV	B10
5046	Disability Case Review Specialist	B3
5062	Vocational Rehabilitation Counselor I	B7
5063	Vocational Rehabilitation Counselor II	B8
5064	Vocational Rehabilitation Counselor III	B9
5081	Chaplain I	B5
5082	Chaplain II	B8
5083	Chaplain III	B10
5090	Rehabilitation Teacher I	B2
5091	Rehabilitation Teacher II	B4
5092	Rehabilitation Teacher III	B6
5095	Coordinator of Rehabilitation	B8
5105	Veterans Assistance Counselor I	B6
5106	Veterans Assistance Counselor II	B7
5107	Veterans Assistance Counselor III	B8
5108	Veterans Assistance Counselor IV	B9
5109	Veterans Assistance Counselor V	B10
5112	Substance Abuse Counselor I	B5

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

5113	Substance Abuse Counselor II	B6
5130	Qualified Mental Retardation Professional I	B5
5131	Qualified Mental Retardation Professional II	B6
5132	Qualified Mental Retardation Professional III	B7
5133	Qualified Mental Retardation Professional IV	B8
5211	Caseworker I	B1
5212	Caseworker II	B4
5213	Caseworker III	B7
5220	Clinical Social Worker I	B3
5221	Clinical Social Worker II	B5
5222	Clinical Social Worker III	B7
5223	Clinical Social Worker IV	B9
5224	Clinical Social Worker V	B10
5226	Case Manager I	B3
5227	Case Manager II	B5
5228	Case Manager III	B7
5229	Case Manager IV	B9
5231	Volunteer Services Coordinator I	B3
5232	Volunteer Services Coordinator II	B5
5233	Volunteer Services Coordinator III	B7
5234	Volunteer Services Coordinator IV	B9
5235	Volunteer Services Coordinator V	B11
5524	Human Services Quality Control Analyst I	B6
5525	Human Services Quality Control Analyst II	B7
5526	Human Services Quality Control Analyst III	B8
5527	Human Services Quality Control Analyst IV	B9
5528	Human Services Quality Control Analyst V	B11
5530	Child Development Specialist I	B1
5531	Child Development Specialist II	B3
5532	Child Development Specialist III	B5
5533	Child Development Specialist IV	B7
5534	Child Development Specialist V	B9
5540	Child Support Officer I	B3
5541	Child Support Officer II	B5
5542	Child Support Officer III	B7
5543	Child Support Officer IV	B9
5612	Interpreter I	B3
5614	Interpreter II	B6
5616	Interpreter III	B8
5618	Interpreter IV	B10
5700	Human Services Specialist I	B3
5701	Human Services Specialist II	B4
5702	Human Services Specialist III	B5
5703	Human Services Specialist IV	B6
5704	Human Services Specialist V	B7
5705	Human Services Specialist VI	B8
5706	Human Services Specialist VII	B9
5720	Human Services Trainee	B2
6050	Criminalist I	B8
6051	Criminalist II	B9
6052	Criminalist III	B10

DETAILED LISTING OF ALL SCHEDULE B CLASSIFIED POSITIONS
(Continued)

6053	Criminalist IV	B11
6054	Criminalist V	B12
6055	Criminalist VI	B13
6056	Criminalist VII	B14
6057	Criminalist VIII	B15
6080	Crime Scene Photographer I	B6
6082	Crime Scene Photographer II	B7
6084	Crime Scene Photographer III	B9
6086	Crime Scene Photographer IV	B11
6121	Latent Print Technician	B7
6150	Evidence/CODIS/DNA Technician	B5
6152	Combined DNA Index System Analyst I	B10
6154	Combined DNA Index System Analyst II	B12
6200	Breath Test Electronic Technician	B9
7304	Archeologist I	B5
7306	Archeologist II	B7
7308	Archeologist III	B9
7315	Historian I	B5
7317	Historian II	B7
7319	Historian III	B9
7401	Librarian I	B5
7402	Librarian II	B7
7403	Librarian III	B9
7404	Librarian IV	B11
7405	Archivist I	B5
7407	Archivist II	B7
7409	Archivist III	B9
7460	Exhibit Technician I	B2
7462	Exhibit Technician II	B4
7464	Exhibit Technician III	B6
7466	Museum Curator	B7
9622	Aircraft Pilot I	B9
9624	Aircraft Pilot II	B11
9626	Aircraft Pilot III	B13

DETAILED LISTING OF ALL SCHEDULE C CLASSIFIED POSITIONS

Class Number	Position Title	Salary Group
A003	Assistant Chief Pilot Investigator, Department of Public Safety	C9
A008	Agent IV, Alcoholic Beverage Commission	C5
A030	Agent Trainee, Alcoholic Beverage Commission	C1
A041	Agent I, Alcoholic Beverage Commission	C2
A042	Agent II, Alcoholic Beverage Commission	C3
A044	Agent III, Alcoholic Beverage Commission	C4
A104	Assistant Commander Game Warden, Parks & Wildlife Department	C10
A243	Internal Affairs Division Director, Department of Criminal Justice	C10
A244	Agent V, Alcoholic Beverage Commission	C6
A251	Lieutenant, Alcoholic Beverage Commission	C8
A281	Assistant Service Commander, Criminal Law Enforcement, Department of Public Safety	C10
C004	Captain, Internal Affairs, Department of Public Safety	C9
C005	Captain Game Warden, Parks & Wildlife Department	C9
C006	Captain, Criminal Law Enforcement, Department of Public Safety	C9
C007	Captain, Texas Rangers, Department of Public Safety	C9
C016	Corporal IV, Traffic Law Enforcement, Department of Public Safety	C5
C017	Corporal III, Traffic Law Enforcement, Department of Public Safety	C4
C018	Corporal II, Traffic Law Enforcement, Department of Public Safety	C3
C019	Corporal I, Traffic Law Enforcement, Department of Public Safety	C2
C024	Captain, Alcoholic Beverage Commission	C9
C026	Captain, Traffic Law Enforcement, Department of Public Safety	C9
C044	Chief Pilot Investigator, Department of Public Safety	C10
C064	Capitol Police Captain, Department of Public Safety	C9
C070	Capitol Police Lieutenant, Department of Public Safety	C8
C071	Capitol Police Sergeant, Department of Public Safety	C7
C072	Capitol Police Corporal, Department of Public Safety	C5
C073	Capitol Police Officer II, Department of Public Safety	C3
C087	Capitol Police Officer I, Department of Public Safety	C2
C091	Capitol Police Officer Trainee, Department of Public Safety	C1
C092	Probationary Capitol Police Officer (1st 6 months), Department of Public Safety	C1
C093	Probationary Capitol Police Officer (2nd 6 months), Department of Public Safety	C1
C232	Commander Game Warden, Parks & Wildlife Department	C10
D521	Major, Alcoholic Beverage Commission	C10
G001	Game Warden IV, Parks & Wildlife Department	C5
G002	Game Warden III, Parks & Wildlife Department	C4
G003	Game Warden II, Parks & Wildlife Department	C3
G007	Game Warden I, Parks & Wildlife Department	C2
G048	Game Warden V, Parks & Wildlife Commission	C6
I002	Sergeant/Investigator, Criminal Law Enforcement, Department of Public Safety	C7
I005	Inspector II, Department of Public Safety	C9
I006	Inspector I, Department of Public Safety	C8
I115	Internal Affairs Investigator Trainee, Department of Criminal Justice	C1
I116	Internal Affairs Investigator I, Department of Criminal Justice	C2
I117	Internal Affairs Investigator II, Department of Criminal Justice	C3
I118	Internal Affairs Investigator III, Department of Criminal Justice	C4
I119	Internal Affairs Investigator IV, Department of Criminal Justice	C5

DETAILED LISTING OF ALL SCHEDULE C CLASSIFIED POSITIONS
(Continued)

I120	Internal Affairs Regional Supervisor, Department of Criminal Justice	C7
I121	Internal Affairs Regional Manager, Department of Criminal Justice	C8
I122	Internal Affairs Multi-Region Administrator, Department of Criminal Justice	C9
I123	Internal Affairs Investigator, Department of Criminal Justice	C6
L010	Lieutenant Game Warden, Parks & Wildlife Department	C8
L011	Lieutenant, Traffic Law Enforcement, Department of Public Safety	C8
M001	Mansion Security Officer, Department of Public Safety	C2
M002	Major, Game Warden, Parks & Wildlife Department	C10
M010	Major, Traffic Law Enforcement, Department of Public Safety	C10
P057	Pilot Investigator, Department of Public Safety	C7
P181	Probationary Game Warden (1st 6 Months), Parks & Wildlife Department	C1
P182	Probationary Game Warden (2nd 6 Months), Parks & Wildlife Department	C1
S002	Sergeant Game Warden, Parks & Wildlife Department	C7
S003	Sergeant, Traffic Law Enforcement, Department of Public Safety	C7
S004	Lieutenant, Criminal Law Enforcement, Department of Public Safety	C8
S006	Lieutenant, Texas Ranger, Department of Public Safety	C8
S007	Lieutenant, Internal Affairs, Department of Public Safety	C8
S008	Staff Commander, Department of Public Safety	C10
S021	Senior Pilot Investigator, Department of Public Safety	C8
S031	Sergeant, Alcoholic Beverage Commission	C7
S043	Service Commander, Criminal Law Enforcement, Department of Public Safety	C10
S054	Staff Captain, Department of Public Safety	C9
S055	Staff Lieutenant, Department of Public Safety	C8
S063	Staff Sergeant, Department of Public Safety	C7
T001	Trooper Trainee, Department of Public Safety	C1
T002	Probationary Trooper (1st 6 Months), Department of Public Safety	C1
T003	Probationary Trooper (2nd 6 Months), Department of Public Safety	C1
T005	Trooper IV, Traffic Law Enforcement, Department of Public Safety	C5
T006	Sergeant, Texas Ranger, Department of Public Safety	C7
T007	Trooper III, Traffic Law Enforcement, Department of Public Safety	C4
T008	Trooper II, Traffic Law Enforcement, Department of Public Safety	C3
T009	Trooper I, Traffic Law Enforcement, Department of Public Safety	C2
T037	Trainee Game Warden, Parks & Wildlife Department	C1
T051	Trooper V, Traffic Law Enforcement, Department of Public Safety	C6

SCHEDULE A
CLASSIFICATION SALARY SCHEDULE

(For the Year Beginning September 1, 1999)

Salary Group	1	2	3	4	5	6	7	8	9
A2	14,376	14,736	15,108	15,492	15,864	16,260	16,656	17,076	17,532
A3	15,108	15,492	15,864	16,260	16,656	17,076	17,532	17,976	18,444
A4	15,864	16,260	16,656	17,076	17,532	17,976	18,444	18,924	19,452
A5	16,656	17,076	17,532	17,976	18,444	18,924	19,452	20,040	20,592
A6	17,532	17,976	18,444	18,924	19,452	20,040	20,592	21,168	21,744
A7	18,444	18,924	19,452	20,040	20,592	21,168	21,744	22,392	23,052
A8	19,452	20,040	20,592	21,168	21,744	22,392	23,052	23,748	24,432
A9	20,592	21,168	21,744	22,392	23,052	23,748	24,432	25,176	25,932
A10	21,744	22,392	23,052	23,748	24,432	25,176	25,932	26,724	27,540
A11	23,052	23,748	24,432	25,176	25,932	26,724	27,540	28,380	29,232
A12	24,432	25,176	25,932	26,724	27,540	28,380	29,232	30,144	31,068
A13	25,932	26,724	27,540	28,380	29,232	30,144	31,068	32,028	32,988
A14	27,540	28,380	29,232	30,144	31,068	32,028	32,988	34,056	35,100
A15	29,232	30,144	31,068	32,028	32,988	34,056	35,100	36,192	37,332
A16	31,068	32,028	32,988	34,056	35,100	36,192	37,332	38,508	39,708
A17	32,988	34,056	35,100	36,192	37,332	38,508	39,708	40,944	42,216
A18	35,100	36,192	37,332	38,508	39,708	40,944	42,216	43,560	44,928

SCHEDULE A
CLASSIFICATION SALARY SCHEDULE

(For the Year Beginning September 1, 2000)

Salary Group	1	2	3	4	5	6	7	8	9
A2	14,376	14,736	15,108	15,492	15,864	16,260	16,656	17,076	17,532
A3	15,108	15,492	15,864	16,260	16,656	17,076	17,532	17,976	18,444
A4	15,864	16,260	16,656	17,076	17,532	17,976	18,444	18,924	19,452
A5	16,656	17,076	17,532	17,976	18,444	18,924	19,452	20,040	20,592
A6	17,532	17,976	18,444	18,924	19,452	20,040	20,592	21,168	21,744
A7	18,444	18,924	19,452	20,040	20,592	21,168	21,744	22,392	23,052
A8	19,452	20,040	20,592	21,168	21,744	22,392	23,052	23,748	24,432
A9	20,592	21,168	21,744	22,392	23,052	23,748	24,432	25,176	25,932
A10	21,744	22,392	23,052	23,748	24,432	25,176	25,932	26,724	27,540
A11	23,052	23,748	24,432	25,176	25,932	26,724	27,540	28,380	29,232
A12	24,432	25,176	25,932	26,724	27,540	28,380	29,232	30,144	31,068
A13	25,932	26,724	27,540	28,380	29,232	30,144	31,068	32,028	32,988
A14	27,540	28,380	29,232	30,144	31,068	32,028	32,988	34,056	35,100
A15	29,232	30,144	31,068	32,028	32,988	34,056	35,100	36,192	37,332
A16	31,068	32,028	32,988	34,056	35,100	36,192	37,332	38,508	39,708
A17	32,988	34,056	35,100	36,192	37,332	38,508	39,708	40,944	42,216
A18	35,100	36,192	37,332	38,508	39,708	40,944	42,216	43,560	44,928

SCHEDULE B
CLASSIFICATION SALARY SCHEDULE
(For the Year Beginning September 1, 1999)

Salary Group	Minimum	Maximum
B1	20,592	25,932
B2	21,744	27,540
B3	23,052	29,232
B4	24,432	31,068
B5	25,932	32,988
B6	27,540	35,100
B7	29,232	37,332
B8	31,068	39,708
B9	32,988	42,216
B10	35,100	44,928
B11	37,332	49,560
B12	39,708	52,766
B13	42,216	56,160
B14	44,928	59,820
B15	47,820	63,720
B16	50,952	67,956
B17	54,264	72,420
B18	57,816	77,220
B19	65,352	90,540
B20	73,920	102,528
B21	93,360	129,744
B22	118,092	164,376

SCHEDULE B
CLASSIFICATION SALARY SCHEDULE
(For the Year Beginning September 1, 2000)

Salary Group	Minimum	Maximum
B1	20,592	25,932
B2	21,744	27,540
B3	23,052	29,232
B4	24,432	31,068
B5	25,932	32,988
B6	27,540	35,100
B7	29,232	37,332
B8	31,068	39,708
B9	32,988	42,216
B10	35,100	44,928
B11	37,332	49,560
B12	39,708	52,766
B13	42,216	56,160
B14	44,928	59,820
B15	47,820	63,720
B16	50,952	67,956
B17	54,264	72,420
B18	57,816	77,220
B19	65,352	90,540
B20	73,920	102,528
B21	93,360	129,744
B22	118,092	164,376

SCHEDULE C
CLASSIFICATION SALARY SCHEDULE
(For the Year Beginning September 1, 1999)

Salary Group	Class Title	Years of Service				
		<4	≥4	≥8	≥12	≥16
C1	Department of Public Safety, Recruit Department of Public Safety, Capitol Police Officer Trainee	\$24,000				
C1	Department of Public Safety, Probationary Trooper (1 st 6 months) Department of Public Safety, Probationary Capitol Police Officer (1 st 6 months) Texas Parks and Wildlife Department, Trainee Texas Department Criminal Justice, Trainee	\$29,000				
C1	Department of Public Safety, Probationary Trooper (2 nd 6 months) Department of Public Safety, Probationary Capitol Police Officer (2 nd 6 months) * Texas Parks and Wildlife Department, Probationary Texas Alcoholic Beverage Commission, Trainee	\$32,000				
C2		\$35,000				
C3			\$37,400			
C4				\$39,800		
C5					\$42,200	
C6						\$44,600
C7			\$43,400	\$45,800	\$48,200	\$50,600
C8			\$49,400	\$51,800	\$54,200	\$56,600
C9			\$55,400	\$57,800	\$60,200	\$62,600
C10	Department of Public Safety, Assistant Commander Department of Public Safety, Chief Pilot Investigator Texas Parks and Wildlife Department, Assistant Commander Texas Alcoholic Beverage Commission, Assistant Commander Texas Department of Criminal Justice, Internal Affairs, Deputy Division Director (≤12 years of service)	\$66,600	\$66,600	\$66,600	\$66,600	
C10	Department of Public Safety, Major/Commander Texas Parks and Wildlife Department, Commander Texas Alcoholic Beverage Commission, Major Texas Department of Criminal Justice, Internal Affairs, Deputy Division Director (≥12 years of service)	\$70,600	\$70,600	\$70,600	\$70,600	

* Should read, “Texas Parks and Wildlife Department, Probationary Game Warden”

SCHEDULE C
CLASSIFICATION SALARY SCHEDULE
(For the Year Beginning September 1, 2000)

Salary Group	Class Title	Years of Service				
		<4	≥4	≥8	≥12	≥16
C1	Department of Public Safety, Recruit Department of Public Safety, Capitol Police Officer Trainee	\$24,000				
C1	Department of Public Safety, Probationary Trooper (1 st 6 months) Department of Public Safety, Probationary Capitol Police Officer (1 st 6 months) Texas Parks and Wildlife Department, Trainee Texas Department Criminal Justice, Trainee	\$29,000				
C1	Department of Public Safety, Probationary Trooper (2 nd 6 months) Department of Public Safety, Probationary Capitol Police Officer (2 nd 6 months) Texas Parks and Wildlife Department, Probationary Texas Alcoholic Beverage Commission, Trainee	\$32,000				
C2		\$35,000				
C3			\$37,400			
C4				\$39,800		
C5					\$42,200	
C6						\$44,600
C7			\$43,400	\$45,800	\$48,200	\$50,600
C8			\$49,400	\$51,800	\$54,200	\$56,600
C9			\$55,400	\$57,800	\$60,200	\$62,600
C10	Department of Public Safety, Assistant Commander Department of Public Safety, Chief Pilot Investigator Texas Parks and Wildlife Department, Assistant Commander Texas Alcoholic Beverage Commission, Assistant Commander Texas Department of Criminal Justice, Internal Affairs, Deputy Division Director (≤12 years of service)	\$66,600	\$66,600	\$66,600	\$66,600	
C10	Department of Public Safety, Major/Commander Texas Parks and Wildlife Department, Commander Texas Alcoholic Beverage Commission, Major Texas Department of Criminal Justice, Internal Affairs, Deputy Division Director (≥12 years of service)	\$70,600	\$70,600	\$70,600	\$70,600	

PART 3.

**SALARY ADMINISTRATION
AND OTHER EMPLOYMENT PROVISIONS**

Sec. 9-3.01. Salary Rates.

- (a) For each fiscal year of the biennium beginning September 1, 1999, annual salary rates for classified positions are as provided by the Classification Salary Schedules of Sec. 9-2.01.
- (b) In addition to the limits under Subsection (d) of this section and Section 9-3.06 of this Article, the State Classification Office shall review new exempt positions created during the interim and provide recommendations on the appropriate class title and salary group for these positions to the Legislature during the appropriations process.
- (c) For the fiscal year beginning September 1, 2000, the salary of a classified employee shall be converted to the applicable salary schedule for fiscal year 2001 in this Act at the same salary rate in the same salary group in which paid in August 2000.
- (d) There is no authority to grant salary increases as part of the conversion of employees to Salary Schedules A, B, and C, except in the cases of:
 - (1) across-the-board salary increases authorized in this Act; or
 - (2) employees whose positions are reallocated or reclassified in accordance with Sections 654.0155, 654.0156, or 659.254, Government Code.
- (e) Notwithstanding other provisions in this Act, agencies are authorized to pay salaries that are below or in excess of the designated salary ranges in Section 9-2.01 as a result of the fiscal year 2000 conversion of employees to appropriate salary groups in Salary Schedules A and B. An employee hired by the State on or after September 1, 1999, including interagency transfers, must be paid at a salary rate that falls within the salary range of the applicable salary group.
- (f) Notwithstanding other provisions in this Act, the Department of Public Safety of the State of Texas may pay its employees classified as Corporal I, II, III, IV, or V, Traffic Law Enforcement, at rates that exceed the maximum rates designated in Salary Schedule C by up to \$600 per fiscal year.
- (g) Employees within the Principals, Teachers, Supervisors, and Coaches title at the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, and Texas Youth Commission are not subject to the salary administration provisions in Part 3 of this article.

Sec. 9-3.02. Merit Salary Increases. A state agency may award a merit salary increase to an employee in a classified position only as authorized by Section 659.255, Government Code, and only if the agency has not promoted, demoted, or awarded a merit salary increase to the employee during the preceding six months.

Sec. 9-3.03. Salary Supplementation. Funds appropriated by this Act to a state agency or to an institution of higher education may not be expended for payment of salary to a person whose classified or exempt salary is being supplemented from other than appropriated funds until a report showing the amount and sources of salary being paid from other sources has been reported to the Secretary of State and Comptroller.

SALARY ADMINISTRATION AND OTHER EMPLOYMENT PROVISIONS
(Continued)

Sec. 9-3.04. **Classified Salary Rates.** An agency subject to Part 2 or Part 3 of this article shall make employments of personnel as provided by the Position Classification Plan.

Sec. 9-3.05. **Salary Cap.** For the biennium beginning September 1, 1999, the rate for determining the expenditure limitations for merit salary increases and promotions under Section 659.261, Government Code, shall be 1.7% times the total amount spent by the agency in the preceding fiscal year for classified salaries.

Sec. 9-3.06. **Scheduled Exempt Positions.**

- (a) A position listed in an agency’s “Schedule of Exempt Positions” shall receive compensation at a rate not to exceed the amount indicated in that schedule except as provided by Subsection (c) or Subsection (d).
- (b) An exempt position listed in a “Schedule of Exempt Positions” for which the term “Group,” followed by an Arabic numeral, is indicated, may receive compensation at a rate within the range indicated below for the respective salary group indicated but not to exceed the amount indicated for that position in the agency “Schedule of Exempt Positions.”

Scheduled Exempt Position Salary Rates

Group	Minimum Salary	Maximum Salary
1	\$ 45,816	\$ 70,788
2	54,228	83,784
3	64,200	99,192
4	76,068	117,516
5	90,060	139,140
6	106,692	164,748

- (c) Notwithstanding the rate listed in an agency “Schedule of Exempt Positions,” a position listed in this subsection may receive compensation at a rate as set by the Governor in an amount not to exceed the “Maximum Salary,” but not less than the “Minimum Salary,” listed in Subsection (b) for the salary group indicated for that position:
 - (1) Fire Fighters' Pension Commissioner: Commissioner, Group 1;
 - (2) Secretary of State: Secretary of State, Group 4;
 - (3) Office of State-Federal Relations: Executive Director, Group 3;
 - (4) Health and Human Services Commission: Commissioner, Group 6;
 - (5) Texas Education Agency: Commissioner of Education, Group 6;
 - (6) Adjutant General Department: Adjutant General, Group 3;
 - (7) Criminal Justice Policy Council: Executive Director, Group 3;
 - (8) Texas Department of Criminal Justice: Chairman, Board of Pardons and Paroles, Group 3;
 - (9) Texas Department of Criminal Justice: Parole Board Members (17), Group 3;
 - (10) Texas Natural Resource Conservation Commission: Commissioners (3), Group 5;
 - (11) Texas Department of Economic Development: Executive Director, Group 4;
 - (12) Texas Department of Housing and Community Affairs: Executive Director, Group 4;
 - (13) Texas Workforce Commission: Commissioners (3), Group 4;

SALARY ADMINISTRATION AND OTHER EMPLOYMENT PROVISIONS

(Continued)

- (14) State Office of Administrative Hearings: Chief Administrative Law Judge, Group 3;
 - (15) Texas Department of Insurance: Commissioner of Insurance, Group 6;
 - (16) Office of Public Insurance Counsel: Public Counsel, Group 3;
 - (17) Public Utility Commission of Texas: Commissioners (3), Group 4; and
 - (18) Office of Public Utility Counsel: Public Counsel, Group 3.
- (d) A position listed in an agency “Schedule of Exempt Positions” may not receive a salary in excess of the rate listed in the agency’s “Schedule of Exempt Positions.” Any salary increase from appropriated funds, within the limits provided by this Section must be:
- (1) in writing;
 - (2) signed by the presiding officer of the governing board;
 - (3) submitted to the Governor, the Legislative Budget Board and the Comptroller; and
 - (4) approved by the governing board in a public meeting.
- (e) (1) An employee who moves within an agency, from an exempt position to a classified position, shall receive an annual salary rate in the proper salary group not to exceed the salary step equal to the current salary or the next higher salary step rate if moving to a classification in Salary Schedule A, or an annual salary rate not to exceed the current salary or the maximum of the new salary range, whichever is lower, if moving to a classification in Salary Schedule B or Schedule C.
- (2) Except as provided by this Subsection (e) or Section 9-3.01, a state agency that pays an employee an exempt salary established by the Legislature under this Act may not subsequently pay the employee a greater salary under:
- (A) Salary Schedule A of this Article;
 - (B) Salary Schedule B of this Article; or
 - (C) Salary Schedule C of this Article.
- (3) An agency may not grant a merit salary increase to an employee until six months after the date the agency transfers the employee from an exempt salary position to a salary paid as provided by:
- (A) Salary Schedule A of this Article;
 - (B) Salary Schedule B of this Article; or
 - (C) Salary Schedule C of this Article.
- (4) The Legislative Budget Board and the Governor may act together to approve a specific exception to the salary limitations provided by this subsection:
- (A) after receiving an application from a state agency; and
 - (B) if the employee’s job responsibilities with the state agency change substantially during the biennium.
- (f) (1) Agencies having a “Schedule of Exempt Positions” following their appropriation may expend funds to employ those positions designated as exempt at rates not to exceed the rates shown. Each title authorizes one position unless the title is followed by an Arabic

SALARY ADMINISTRATION AND OTHER EMPLOYMENT PROVISIONS

(Continued)

numeral indicating the number of positions authorized or by “(UL)” which authorizes an unlimited number of positions for such position title.

- (2) The number of authorized positions for a title listed in a “Schedule of Exempt Positions” may be exceeded only under the following conditions:
 - (A) for the purpose of hiring a replacement in a key management position as certified by the agency head;
 - (B) the current incumbent of the position must have formally resigned or otherwise announced irrevocable plans to vacate the position;
 - (C) the position number limitation may be exceeded for a period of time not to exceed the equivalent of one month’s salary per fiscal year per terminating incumbent (excluding time spent on the payroll for the purpose of exhausting accrued annual leave or state compensatory time); and
 - (D) reporting such exceptions will be made in such manner as prescribed for payroll reporting procedures.

Sec. 9-3.07. Retention of Year 2000 Critical Staff.

- (a) To ensure the successful resolution of the technology problems associated with conversion to the Year 2000, state agencies and institutions of higher education are hereby authorized to award bonuses, out of funds appropriated in Articles I through VIII in this Act which are not otherwise restricted, to employees who the agency or institution of higher education determines are critical to the successful conversion effort.
- (b) Before an employee can be eligible for a bonus, the employee must have been continuously employed in a full-time position by the agency or institution of higher education, in an information resource technical function for at least three years prior to September 1, 1997. To be eligible, the employee must have information resource technical knowledge and experience which, if lost, would be difficult to replace and would severely jeopardize the timely completion of the Year 2000 project for the particular agency or institution of higher education.
- (c) Funds for the bonuses will be encumbered under rules and procedures established by the Comptroller and will be paid to the employee at the successful completion of the contract on May 31, 2000. Encumbered bonuses will also be paid to “critical employees” terminated by the agency or institution before the end of the contract for other than performance or disciplinary reasons. Any bonus paid under this section is considered compensation but is in no event considered earned and payable until all the conditions of this section and the signed contract are met.
- (d) Bonuses given to employees under this subsection will not affect their eligibility for a merit salary increase or a promotion as defined elsewhere in this section.

SALARY ADMINISTRATION AND OTHER EMPLOYMENT PROVISIONS

(Continued)

Sec. 9-3.08. **Registered Nurses and Licensed Vocational Nurses.** Any state agency may pay an additional evening shift or night shift differential not to exceed 15 percent of the monthly pay rate to registered nurses or licensed vocational nurses who work the 3:00 p.m. to 11:00 p.m. shift, or its equivalent, or who work the 11:00 p.m. to 7:00 a.m. shift, or its equivalent. An additional weekend shift salary differential not to exceed five percent of the monthly pay rate may be paid to registered nurses and licensed vocational nurses. The weekend shift salary differential may be paid to an eligible individual in addition to the evening shift or night shift salary differential.

Sec. 9-3.09. **Information Technology Recruitment and Retention Bonuses.** To enhance the recruitment and retention of Information Technology employees, an agency or institution of higher education may pay a bonus of up to \$3,000 to an individual employed as a Systems Analyst, Network Specialist, Programmer, or Data Base Administrator if the employee remains with that agency or institution in an eligible position for 12 continuous months after the date of execution of a bonus contract. The bonus contract must require the individual to remain in that position for 12 months. Individuals may execute a bonus contract only after 12 months of employment in an eligible position. The lump sum amount will be included in the employee's paycheck the month after the end of the 12-month bonus period. Bonuses paid as provided by this section are specifically exempted from the salary cap.

PART 4. EMPLOYMENT POLICIES AND PROVISIONS

Sec. 9-4.01. **Method of Salary Payments.** All annual salaries appropriated by this Act are for full-time employment unless specifically designated as part-time. This section may not be construed to prevent the head of an agency from paying less than the maximum salary rate specified in this Act for a position, or the employment of a part-time employee to fill a regular position provided for in this Act, so long as the salary rate for such part-time employee is proportional to the regular rate for full-time employment.

Sec. 9-4.02. **Exception - Contracts Less Than 12 Months.** Facilities of the Texas Department of Mental Health and Mental Retardation in Article II, the Texas Youth Commission in Article V, or institutions of higher education or the schools for the blind or deaf in Article III of this Act that make contracts for less than a twelve-month period may pay salaries in equal monthly payments for the period of the contract.

Sec. 9-4.03. **Matching Retirement and Certain Insurance.** In each instance in which an operating fund or account is created and named by statute, the responsible officials of the state may transfer into the operating fund or account sufficient moneys from treasury funds, local, institutional, or federal funds to pay proportionally the costs of matching state employees' retirement contributions and the state's share of Old Age and Survivors Insurance.

Sec. 9-4.04. **Per Diem of Board or Commission Members.**

- (a) As authorized by Section 659.032, Government Code, the per diem of state board and commission members consists of:
 - (1) compensatory per diem, if specifically authorized by law, at \$30 per day;
 - (2) reimbursement of actual expenses for meals and lodging not to exceed \$95 per day when traveling within this state and reimbursement of actual expenses for meals and lodging when traveling outside of this state in an amount not to exceed the rates

EMPLOYMENT POLICIES AND PROVISIONS (Continued)

specified for a state employee under this Act; and

- (3) reimbursement of transportation and incidental expenses at the rates specified in this Act for state employees.
- (b) If a law enacted after former Article 6813f, V.T.C.S., (September 1, 1983), authorizes per diem for members of a particular state board or commission, but does not specify the amount of the per diem, then the amount of the per diem is the amount provided by Subsection (a).
- (c) The funds appropriated by this Act may not be expended to reimburse members of a state agency advisory committee for expenses associated with conducting committee business, including travel expenses, unless the expenditures for an advisory committee are:
 - (1) specifically authorized by this Act; or
 - (2) approved by the Governor and the Legislative Budget Board subsequent to the effective date of this Act.
 - (3) For the purpose of this subsection, the term “advisory committee” has the meaning assigned by Section 2110.001, Government Code.
 - (4) This subsection does not apply to an advisory committee established by the governing board of a retirement system trust fund.
- (d) An agency that has a “Schedule of Exempt Positions and Per Diem of Board (or Commission) Members” following the agency’s appropriations may expend appropriations for board or commission member compensatory per diem in an amount not to exceed the amount specified in the schedule for each respective fiscal year.
- (e) A full time employee paid from funds appropriated by this Act may not be paid both a salary and compensatory per diem for concurrent service as a state employee and as a board or commission member.

Sec. 9-4.05. **Political Aid and Legislative Influence Prohibited.** The moneys appropriated by this Act, regardless of source or character, may not be expended except in compliance with Chapter 556, Government Code.

Sec. 9-4.06. **Limitations on Use of Appropriated Funds.** Funds appropriated by this Act, other than those appropriated to an institution of higher education, may be expended only for items set out in the expenditure classifications of the Comptroller's Manual of Accounts insofar that an agency expending the appropriated funds has existing statutory authority for making the expenditures and the expenditures are not otherwise limited or prohibited in this Act.

PART 5. TRAVEL REGULATIONS

Sec. 9-5.01. **Travel Definitions.**

The definitions established by Section 660.002, Government Code, apply to Part 5 of this Article, unless another meaning is clearly provided. In Part 5 of this article:

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(Continued)

- (1) “Council of governments” includes:
 - (A) a council of governments created under Chapter 391, Local Government Code;
 - (B) a regional planning commission created under Chapter 391, Local Government Code; or
 - (C) a regional planning agency created under Chapter 391, Local Government Code.
- (2) “State agency” means a unit of state government, a council of governments, a local workforce development board, or a MHMR community center, that uses funds appropriated in this Act to pay for the transportation, meals, lodging, and other travel expenses of its employees.

Sec. 9-5.02. **General Travel Provisions.** The amounts appropriated in this Act to a state agency for the payment of transportation, meals, lodging, or incidental expenses is the maximum amount that may be expended by the agency. The moneys appropriated by this Act may not be expended for those expenses unless the travel and the resulting requests for payment or reimbursement comply with the conditions and limitations in this article and Chapter 660, Government Code, and the Comptroller’s Rules.

Sec. 9-5.03. **Failure to Comply.**

- (a) If the State Auditor determines that the travel for which payment was made out of appropriated funds is not in compliance with Section 660.030(b), Government Code, the State Auditor shall so certify to the Comptroller. The Comptroller shall reduce the appropriation of the agency that paid the travel expenses by an amount equal to the entire amount paid by the state for that individual for that travel occurrence.
- (b) The Comptroller shall prepare an annual report indicating the appropriation reductions, by agency, made pursuant to this section for the previous fiscal year. The Comptroller shall submit the report to the Legislative Budget Board not later than December 1.

Sec. 9-5.04. **Transportation Expenses.** For a state employee’s use of a personally owned or leased motor vehicle, the mileage reimbursement rate, for travel occurring during a fiscal year, equals the maximum fixed mileage allowance specified in the revenue rulings issued by the Internal Revenue Service under the federal income tax regulations as of August 1 preceding the start of the fiscal year. The mileage reimbursement rate may not be less than 25 cents per mile or more than 28 cents per mile. The Comptroller shall announce the mileage reimbursement rate for a fiscal year as soon as possible after August 1 of the preceding year.

Sec. 9-5.05. **Transportation in Personally Owned or Leased Aircraft.**

- (a) The rate of reimbursement to be paid to a key official, member of a board, commission, or a member of the Legislature for travel in the person’s personally owned or leased aircraft, either within or without the boundaries of this state, is:
 - (1) 40 cents per highway mile when traveling in single-engine aircraft;
 - (2) 55 cents per highway mile when traveling in twin-engine aircraft; and

TRAVEL REGULATIONS

(Continued)

- (3) one dollar per highway mile when traveling in turbine-powered or other aircraft.
- (b) The rate of reimbursement for a state employee when the employee travels in the employee's personally owned or leased aircraft, either within or without the boundaries of this state, is:
 - (1) 40 cents per highway mile when traveling in single-engine aircraft; or
 - (2) 55 cents per highway mile when traveling in twin-engine, turbine-powered, or other aircraft.

Sec. 9-5.06. Travel Meals and Lodging Expenses.

- (a) A state employee who travels within this state shall be reimbursed for the actual cost of lodging and meals. However, the reimbursements may not exceed \$70.00 per day per location for lodging and \$25.00 per day for meals.
- (b) At the discretion of each head of agency, a state employee whose duties require the employee to travel outside the employee's designated headquarters without an overnight stay away from the employee's headquarters may be reimbursed for the actual cost of the employee's meals not to exceed \$25.00 per day.
- (c) A state employee who travels outside of this state but within the continental United States shall be reimbursed for the employee's actual expenses for lodging and meals. However, the reimbursement may not exceed the maximum out-of-state meals and lodging rates, based on the federal travel regulations, issued by the Comptroller unless the Comptroller determines, in advance of travel, that local conditions necessitate a change in the lodging rate for a particular location. If an employee travels to a location where an allowance has not been set by the Comptroller, the Comptroller shall establish a rate for that location.
- (d) A state employee may receive reimbursements for the employee's actual expenses for meals and lodging when traveling outside the continental United States.

Sec. 9-5.07. Special Provisions Regarding Travel Expenses. Reimbursement for meals and lodging as authorized by Subchapter H, Chapter 660, Government Code, on an "actual expenses" or "actual amount of" basis may not exceed twice the maximum rates specified in Section 9-5.06 of this article.

Sec. 9-5.08. Passenger and Other Vehicular Equipment (excluding Aircraft).

- (a) Only the following agencies may use appropriated funds for the purchase, operation, maintenance and lease of a passenger car or other vehicle designed for passenger transportation (excluding aircraft):
 - (1) Texas Youth Commission;
 - (2) Adjutant General's Department;
 - (3) Texas Alcoholic Beverage Commission;
 - (4) Department of Agriculture;
 - (5) Attorney General;
 - (6) General Services Commission;
 - (7) Texas Department of Criminal Justice;
 - (8) Texas Department of Transportation;

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(Continued)

- (9) Texas Historical Commission;
 - (10) General Land Office and Veterans' Land Board;
 - (11) Parks and Wildlife Department;
 - (12) Railroad Commission of Texas;
 - (13) Department of Public Safety of the State of Texas;
 - (14) Texas Natural Resource Conservation Commission;
 - (15) Texas Water Development Board;
 - (16) Texas State Board of Plumbing Examiners;
 - (17) Texas State Board of Pharmacy;
 - (18) Texas Low-Level Radioactive Waste Disposal Authority;
 - (19) Polygraph Examiners Board; and
 - (20) Texas Department of Licensing and Regulation (for Water Well Drillers only).
- (b) For the purposes of the above limitation, the following vehicular equipment shall not be construed to be passenger cars or other vehicles designed for passenger transportation and may be leased, purchased, operated, or maintained by an agency through appropriated funds:
- (1) panel, pickup and delivery trucks;
 - (2) trucks required for the conveyance of special equipment;
 - (3) motorcycle delivery units;
 - (4) dual control automobiles used exclusively for driver training;
 - (5) passenger cars equipped with two-way radios when such equipment is a direct requirement of the user's primary responsibility;
 - (6) motorcycles, jeeps, and boats needed and used for fire prevention, fire fighting and other activities for safeguarding public safety, public property, or for criminal law enforcement;
 - (7) ambulances or other passenger vehicles specifically equipped and regularly used for ambulance services; and
 - (8) buses, sedans, vans, and station wagons designed for the transportation of more than six people and regularly used for the mass transportation of multiple people and essential to the efficient management of the operating agency of the state as certified by a report filed with the Governor's Budget and Planning Office and the Legislative Budget Board prior to acquisition.
- (c) It is the intent of the Legislature that agencies authorized to purchase passenger vehicles or other general use ground transportation vehicles shall purchase economical, fuel efficient vehicles assembled in the United States of America when the purchase of such vehicles would have no significant detrimental effect on the public service being performed.

Sec. 9-5.09. **Aircraft.**

- (a) The purchase of aircraft may not be made from appropriated funds except as authorized in this section.

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(Continued)

- (b) Agencies authorized to expend appropriated funds for the maintenance and operation of state-owned aircraft or replacements authorized by Subsection (d) are:
 - (1) Texas A&M University System;
 - (2) Texas Department of Criminal Justice;
 - (3) Texas Department of Transportation;
 - (4) Parks and Wildlife Department;
 - (5) Department of Public Safety of the State of Texas;
 - (6) University of Texas System;
 - (7) Texas State Technical College;
 - (8) Texas Forest Service; and
 - (9) State Aircraft Pooling Board.
- (c) Notwithstanding any other provision of this Act, all state-owned aircraft (including aircraft forfeited to or seized by a particular agency) are subject to the authority of the State Aircraft Pooling Board under Chapter 2205, Government Code.
- (d) Expenditure of appropriated funds for replacement of aircraft with aircraft of comparable quality may be made contingent upon approval of the State Aircraft Pooling Board and a finding of fact by the Governor that a report has been filed with the Governor showing that:
 - (1) the aircraft to be replaced has been destroyed or has deteriorated to an extent that continued operation presents a serious hazard or that the aircraft to be replaced can no longer meet the mission requirements of the principal user state agency; and
 - (2) other state-owned aircraft cannot be effectively utilized in lieu of a replacement aircraft.
- (e) Expenditures necessary to purchase liability insurance pursuant to Section 2205.045(a), Government Code, shall be made on a pro rata basis, as determined by the State Aircraft Pooling Board, from appropriations authorized to each agency operating a state-owned aircraft. The Comptroller shall transfer such necessary amounts from agencies operating aircraft to the State Aircraft Pooling Board for the purchase of liability insurance and expenditure of such funds by the board is hereby authorized.
- (f) All agencies using State Aircraft Pooling Board services shall reimburse the State Aircraft Pooling Board for providing services within 30 days from the date of billing.
- (g) Any reimbursements received by a state agency for authorized aircraft services rendered to another state agency are hereby reappropriated to the agency receiving the reimbursements, and shall be credited to the agency's appropriation item from which the cost of aircraft operation is paid.

Sec. 9-5.10. Limitation on Travel Expenditures.

- (a) (1) None of funds appropriated by this Act may be expended, without the prior approval of the Legislative Budget Board, for travel purposes if such expenditure would cause the agency's or institution's travel expenditures for that fiscal year to exceed an amount equal to one hundred (100) percent of that agency's or institution's fiscal year 1998 approved amount of travel expenditures including any excess travel expenditure amounts approved by waiver, except for the Texas Cosmetology Commission which is

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limited to ninety (90%) percent of 1997 expenditure levels.

- (2) The general limitations provided by this subsection apply in addition to the limits of any additional agency specific limitation.
- (b) The Legislative Budget Board may consider requests from agencies which demonstrate circumstances which would make such reductions in actual travel impractical or inefficient in accomplishing the goals and strategies contained in their appropriations pattern. Such circumstances may include: new or expanded programs, law enforcement, tax collection activities, statutorily mandated travel, or other pressing public purposes.
- (c) The Comptroller shall prescribe accounting procedures and reporting requirements to administer this section and to ensure that expenditures for travel by all state agencies and institutions of higher education are properly reported and monitored.
- (d)
 - (1) Upon notification by the Comptroller that a state agency or institution of higher education has exceeded the travel cap limit as specified in Subsection (a) of this Section for two consecutive fiscal years without the written approval of the Legislative Budget Board, the state agency or institution of higher education may not pay or reimburse with funds appropriated by this Act, a travel expense for out-of-state travel, conventions, conferences or seminars except as provided by this Subsection (d).
 - (2) The Comptroller may allow a state agency or institution of higher education to reimburse or pay a travel expense incurred by an employee on or after the date the agency or institution receives notice of its exceeding the limits if:
 - (A) the expense is incurred while the employee is returning to the employee's designated headquarters;
 - (B) the reimbursement or payment is necessary to prevent unreasonable hardship to the employee; or
 - (C) the expense is incurred while the employee is completing official state business that the agency or institution deems critical to fulfillment of the agency's or institution's constitutional or statutory duties.
 - (3) The Comptroller shall notify the Legislative Budget Board if the Comptroller allows such a payment or reimbursement. The notification must include the reason that the payment or reimbursement is allowed. The Legislative Budget Board may then direct the Comptroller to reduce the agency's or institution's appropriation by the amount of the payment or reimbursement if in the Legislative Budget Board's opinion the payment was the result of an agency failing to comply with the notification by the Comptroller.
- (e) All documents filed by an appointed officer under this section are public information. In this section, the term "public information" has the meaning provided by Chapter 552, Government Code.
- (f) In this section "appointed officer" includes all persons included under the definition provided by Chapter 572, Government Code, except that for the purposes of the definition of "appointed officer," the term "state agency" also includes a council of governments, a Local

TRAVEL REGULATIONS

(Continued)

Workforce Development Board, or a Mental Health Mental Retardation community center that uses funds appropriated by this Act to pay for the transportation, meals, lodging, or other travel expenses of its employees or officials. For the purpose of this provision, the term "council of governments" shall include a council of governments, a regional planning commission, or similar regional planning agency created under Chapter 391, Local Government Code.

- (g) An appointed officer may not receive reimbursement from funds appropriated by this Act for expenses related to travel outside of the State of Texas before filing with the Texas Ethics Commission copies of all documents that will be submitted to the Comptroller and Legislative Budget Board in support of the travel expense claim.
- (h) Funds appropriated by this Act may not be used to pay expenses for travel to foreign countries, except for Canada or Mexico, unless the travel has been approved by the governor before departure. A copy of the governor's approval must be attached to each travel voucher. Not more than 10 days after the date of submission of a travel voucher to the Comptroller for reimbursement, the person submitting the voucher must also submit copies of the travel voucher and the governor's approval to the Legislative Budget Board.
- (i) In implementing this rider, state agencies shall review their travel policies in order to ensure that travel which is critical to the delivery of services consistent with the mission of the agency is not affected.

PART 6. GENERAL LIMITATIONS ON EXPENDITURES

Sec. 9-6.01. Definitions

In this Act:

- (a) "Earned federal funds" means all moneys received in connection with each entitlement period of a federally funded contract, grant, or program, excluding reimbursements under Section 9-8.02(c), which are not required by the governing agreement to be disbursed thereon. Typically, earned federal funds arise from recoveries of costs previously paid from a nonfederal fund source, indirect cost allocations, interest earned on federal funds, and minor sources such as the sale of fixed assets purchased with federal funds. Except for state agencies of higher education and their affiliated agencies, the expenditure of funds received or earned by a state agency is limited to the appropriation authority granted to the agency. Any such excess funds remaining at the end of the 2000-01 biennium for an agency shall be carried forward as a funding source available for appropriations of the subsequent 2002-03 biennium. A state agency or institution participating in federally funded or other programs, where indirect cost reimbursements are an allowable part of charges to the program, shall establish procedures to maximize the recovery of such costs.
- (b) "Unexpended balance" or the abbreviation "U.B." means the unobligated balance remaining in an appropriation, i.e., only that part of an appropriation, if any, that has not been set apart by the incurring of an obligation, commitment, or indebtedness by the state agency authorized to spend the appropriation. A reference in this Act to "unexpended balance" or "U.B." is a reference to the unobligated balance of an amount appropriated by this Act for the fiscal year ending August 31, 2000, unless another meaning is clearly indicated.

GENERAL LIMITATIONS ON EXPENDITURES

(Continued)

Sec. 9-6.02. **Interpretation of Estimates.** In the event the amounts of federal funds, local funds, or funds other than appropriations from the General Revenue Fund, have been estimated in this Act in sums greater than are actually received by the respective agencies of the state, this Act may not be construed as appropriating additional funds from General Revenue to make up such differences. Wherever the language of this Act appropriates all receipts or balances from a specified source but uses an estimated amount to inform the Legislature and the public, the estimated figure is not to be construed as a limitation on the amount appropriated.

Sec. 9-6.03. **Emergency and Deficiency Grants out of Special Funds.** For the purposes of Sections 401.061 and 403.075, Government Code, appropriations to the Office of the Governor from “special funds” include excess revenues from General Revenue Fund-Dedicated accounts that were previously special funds above those estimated by the Comptroller in certifying this Act.

Sec. 9-6.04. **Excess Obligations Prohibited.**

- (a) A department or agency specified in this Act may not incur an obligation in excess of the amounts appropriated to it for the respective objects or purposes named.
- (b) As a specific exception to Subsection (a) the General Services Commission may determine that a proposed installment purchase arrangement is cost effective and certify this finding in response to an agency request.
- (c) A determination made by the General Services Commission under Subsection (b) may be made for obligations incurred for the purchase or lease of automated information system equipment only if the department or agency has on file with the Department of Information Resources a Biennial Operating Plan, including any amendments to the Biennial Operating Plan, and the plan has been approved by the Department of Information Resources.
- (d) If this section is violated, the State Auditor shall certify the fact of the violation and the amount of over-obligation to the Comptroller, and the Comptroller shall deduct an amount equivalent to the over-obligation from the salary or other compensation due the responsible disbursing or requisitioning officer or employee, and apply the amount to the payment of the obligation.
- (e) This provision is specified pursuant to Section 10, Article XVI, Texas Constitution.

Sec. 9-6.05. **Interpretation of Legislative Intent.** Funds appropriated by this Act shall be expended, as nearly as practicable, for the purposes for which appropriated. In the event a department or agency cannot determine legislative purpose from the pattern of appropriations, the department or agency shall seek to determine that purpose from the proceedings of the legislative committees responsible for proposing appropriations for this state.

Sec. 9-6.06. **Comptroller's Duty to Pay.** The Comptroller may not refuse to pass for payment a legal claim, factually justified, for which a valid appropriation has been made.

Sec. 9-6.07. **Last Quarter Expenditures.**

- (a) A state agency, board, commission, department or other governmental unit using funds appropriated by this Act may not expend during the last quarter of a fiscal year more than one-third of the funds appropriated for that fiscal year.

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- (b) Specifically exempted from Subsection (a) are:
 - (1) expenditures contracted for in previous quarters;
 - (2) funds required by statute, rule or regulation to be expended on a different time frame;
 - (3) seasonal employment of personnel;
 - (4) construction contracts;
 - (5) contracts dealing with purchases of food, medicines, or drugs;
 - (6) expenditures related to the Chronically Ill and Disabled Children's program operated by the Texas Department of Health; and
 - (7) expenditures occasioned by disaster or other Act of God.
- (c) The funds exempted, under Subsection (b) may not be considered in the computation of the total funds appropriated in a fiscal year for the purpose of applying Subsection (a).

Sec. 9-6.08. Appropriation Transfers.

- (a) Subject to any specific restriction in another provision of this Act, an appropriation contained in this Act may be transferred from one appropriation item to another appropriation item in an amount not to exceed 25 percent of the appropriation item from which the transfer is made for the fiscal year, at the discretion of the chief administrative officer of the agency, department, or institution.
- (b) As a specific exception to Subsection (a), funds appropriated for capital budget items are subject to restrictions contained elsewhere in this Act.
- (c) Funds appropriated by this Act in items of appropriation that are part of a Goal for "Indirect Administrative and Support Costs" or "Indirect Administration" may also be transferred from one appropriation item to another appropriation item within that same Goal without limitation as to the amount of such a transfer.
- (d) Appropriations made by this Act to each state agency or institution of higher education are not subject to transfer between agencies or institutions except under the provisions of interagency contract, budget execution statutes, or specific rider or statutory authorization.

Sec. 9-6.09. Transfers for Contract Services. Funds appropriated in the various articles of this Act for "Employees Retirement System," "Social Security State Match," and "Benefit Replacement Pay" may be transferred between articles for similar appropriation items for the purpose of paying employee benefits costs incurred by higher education institutions when those institutions have contracted to provide services to state agencies.

Sec. 9-6.10. Employee Benefit and Debt Service Items.

- (a) Funds appropriated in the various articles of this Act for "Employees Retirement System," "Social Security State Match," "Benefit Replacement Pay," "Texas Public Finance Authority-G.O. Bond Debt Service Payments," and "Lease-Payments to the Texas Public

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Finance Authority” may be transferred between articles to a like appropriation item without limitation as to the amount of such transfer.

- (b) An agency to which an appropriation listed under Subsection (a) is made may pool such appropriations, made in the various articles for a common purpose, into a single cost pool for the purpose of administering the appropriation.

Sec. 9-6.11. Salaries to be Proportional by Fund.

- (a) Unless otherwise provided, payment for salaries, wages, and benefits paid from appropriated funds, including “local funds” and “education and general funds” as defined in Sections 51.009 (a) and (c), Education Code, shall be proportional to the source of funds.
- (b) Unless otherwise specifically authorized by this Act, the funds appropriated by this Act out of the General Revenue Fund may not be expended for employee benefit costs, or other indirect costs, associated with the payment of salaries or wages, if the salaries or wages are paid from a source other than the General Revenue Fund. Payments for employee benefit costs for salaries and wages paid from sources, including payments received pursuant to interagency agreements or as contract receipts, other than the General Revenue Fund shall be made in proportion to the source of funds from which the respective salary or wage is paid or, if the Comptroller determines that achieving proportionality at the time the payment is made would be impractical or inefficient, then the General Revenue Fund shall be reimbursed for any such payment made out of the General Revenue Fund.
- (c) The Comptroller shall develop rules to provide for the administration of this section.
- (d) Each agency or institution of higher education having General Revenue Fund appropriations and other sources of financing shall file with the Comptroller and the State Auditor a schedule demonstrating proportionality. The schedule shall be filed before November 20th following the close of the fiscal year for the salaries, wages, and benefits of the preceding year ended August 31. The schedule shall be in a format prescribed by the Comptroller. The State Auditor shall review (in the State Auditor’s audit of respective agencies) the agencies’ compliance with this section. The Comptroller, on receipt of notification from the State Auditor of amounts disproportionately paid from General Revenue Fund appropriations, shall reduce current year General Revenue Fund appropriations of the agency or institution until such time as such amounts are repaid from sources other than the General Revenue Fund.

Sec. 9-6.12. Appropriations from Special Funds.

- (a) Notwithstanding other provisions of this Act, appropriation amounts from special funds or special accounts in the General Revenue Fund are specifically limited to amounts not to exceed the actual balances and revenues available to each such fund or account.
- (b) In order to preserve cash balances in the state treasury, the Comptroller may prescribe rules and procedures as may be necessary to limit or control expenditures or transfers from funds appropriated by this Act. These procedures may include rules relating to the deposit of receipts and issuance of warrants.

Sec. 9-6.13. Limitation on Grants to Units of Local Government.

- (a) The funds appropriated by this Act may not be expended in the form of a grant to, or a

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contract with, a unit of local government unless the terms of the grant or contract require that the funds received under the grant or contract will be expended subject to limitations and reporting requirements similar to those provided by Section 33, Article IX, General Appropriations Act, Seventy-fifth Legislature, Regular Session, 1997.

- (b) In this section, “unit of local government” means:
- (1) a council of governments, a regional planning commission, or a similar regional planning agency created under Chapter 391, Local Government Code;
 - (2) a local workforce development board; or
 - (3) a MHMR community center.

Sec. 9-6.14. Limitation on State Employment Levels.

- (a) A state agency, including the Texas Food and Fibers Commission, Texas Engineering Extension Service, Texas Agricultural Extension Service, Texas Forest Service, Texas Veterinary Medical Diagnostic Laboratory, and Texas Wildlife Damage Management Service (but not including an institution of higher education, the Parks and Wildlife Department, Texas School for the Blind and Visually Impaired, Texas School for the Deaf, Texas Agricultural Experiment Station, Texas Engineering Experiment Station, and Texas Transportation Institute) shall not have on its payroll, without the written approval of the Governor and the Legislative Budget Board, a number of employees which would cause the number of full-time equivalent employees (FTEs) employed by the agency for a fiscal quarter to exceed the “Number of Full-time Equivalent Positions (FTE)” figure indicated by this Act for that agency.
- (b) A request to exceed the FTE limitation established by this section must be submitted by the governing board of the agency and must include at a minimum:
- (1) the date on which the board approved the request;
 - (2) a statement justifying the need to exceed the limitation;
 - (3) the source of funds to be used to pay the salaries; and
 - (4) an explanation as to why the functions of the proposed additional FTEs cannot be performed within current staffing levels.
- (c) For the purpose of Subsection (a), the number of FTEs employed by an agency for a fiscal quarter:
- (1) shall be determined in accordance with the report filed pursuant to Section 2052.103, Government Code;
 - (2) shall only include employees paid with funds appropriated through this Act;
 - (3) shall not include overtime hours; and
 - (4) shall include a position filled by temporary or contract workers for more than half of

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the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor is authorized to provide interpretations of this provision.

- (d) This section shall not apply to appropriations made by this Act to the:
 - (1) appellate courts;
 - (2) Office of the Governor; or
 - (3) Comptroller of Public Accounts when that agency has determined by a cost/benefit analysis that an outsourcing or contracting arrangement provides savings to this State.
- (e) If the Texas Food and Fibers Commission, Texas Engineering Extension Service, Texas Agricultural Extension Service, Texas Forest Service, Texas Veterinary Medical Diagnostic Laboratory, or Texas Wildlife Damage Management Service should be shown in this Act with an "FTE - Appropriated Funds" and an "FTE - Total," the FTE limitation established by Subsection (a) shall be the "FTE - Appropriated Funds" figure.

Sec. 9-6.15. Limitation on State Employment Levels: Certain Institutions of Education and Parks and Wildlife.

- (a) The Parks and Wildlife Department, Texas School for the Blind and Visually Impaired, Texas School for the Deaf, Texas Agricultural Experiment Station, Texas Engineering Experiment Station, Texas Transportation Institute, or an institution of higher education (but not including the Texas Food and Fibers Commission, Texas Engineering Extension Service, Texas Agricultural Extension Service, Texas Forest Service, Texas Veterinary Medical Diagnostic Laboratory, and Texas Wildlife Damage Management Service) shall not have on its payroll, without the written approval of the Governor and the Legislative Budget Board, a number of employees which would cause the number of full-time equivalent employees (FTEs) employed by the agency or institution for a fiscal year to exceed the "Number of Full-time Equivalent Positions (FTE) - Appropriated Funds" figure indicated by this Act for that institution.
- (b) A request to exceed the FTE limitation established by this section must be submitted by the governing board of the institution and must include at a minimum:
 - (1) the date on which the board approved the request;
 - (2) a statement justifying the need to exceed the limitation;
 - (3) the source of funds to be used to pay the salaries; and
 - (4) an explanation as to why the functions of the proposed additional FTEs cannot be performed within current staffing levels.
- (c) For the purpose of Subsection (a), the number of FTEs employed by the Parks and Wildlife Department, the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, the Texas Agricultural Experiment Station, the Texas Engineering Experiment Station, the Texas Transportation Institute, or an institution of higher education, (but not including the Texas Food and Fibers Commission, the Texas Engineering Extension Service, the Texas Agricultural Extension Service, the Texas Forest Service, the Texas Veterinary Medical

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Diagnostic Laboratory, and the Texas Wildlife Damage Management Service) for a fiscal year:

- (1) shall be determined in accordance with the reports filed pursuant to Section 2052.103, Government Code;
 - (2) shall be an average of the four reports filed for that fiscal year;
 - (3) shall include employees paid with funds appropriated through this Act;
 - (4) shall not include overtime hours; and
 - (5) shall include a position filled by temporary or contract workers for more than half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor is authorized to provide interpretations of this provision.
- (d) For the Texas Agricultural Experiment Station, Texas Engineering Experiment Station, Texas Transportation Institute, or an institution of higher education with a "FTE-Appropriated Funds" and a "FTE-Total," the FTE limitation established by Subsection (a) shall be the "FTE-Appropriated Funds" figure.

Sec. 9-6.16. Audits.

- (a) None of the appropriations made by this Act shall be used to employ any firm or person to audit the books of any department, board, commission, institution, or state agency, this being the duty of the State Auditor; provided, however, that in any instance where the funds available to the State Auditor are not, in the State Auditor's judgment, sufficient for any requested or contemplated audit, the department head or heads having authority to disburse the appropriations made by this Act may direct the Comptroller to transfer from any appropriations to the appropriation made for the State Auditor the amount, which in the judgment of the State Auditor, is necessary for the purpose of making such audit.
- (b) Any amount transferred to the State Auditor as provided by Subsection (a) shall be used for the actual costs of the specified audit, and any balances of such funds remaining at the end of any fiscal year are hereby appropriated to the State Auditor for the purpose of completing the audit for which the funds were transferred. On the completion of any such audits any excess funds remaining shall be transferred by the State Auditor back to the department, board, commission, institution or agency from which transferred.

Sec. 9-6.17. Purchases of Postage.

- (a) If the expenditures for postage by an agency, other than the legislature or an institution of higher education, exceed \$4,000 for a fiscal year, the agency shall purchase postage only in accordance with Section 2113.103(c), Government Code.
- (b) The amount received by an agency as a refund of postage used by the agency shall be deposited in the fund to the credit of the appropriation from which postage for the agency is paid and is hereby reappropriated to the agency for postage use.

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Sec. 9-6.18. Publication or Sale of Printed, Recorded, or Electronically Produced Matter or Records.

- (a) Funds appropriated by this Act may not be used for the publication, recording, production, and distribution of any item or matter, including lists, notices, pamphlets, video tapes, audio tapes, microfiche, films or other electronically produced information or records unless such publication, recordings, or production is:
 - (1) essential to accomplish or achieve a strategy or outcome target established by this Act; or
 - (2) required by law.
- (b) Any moneys received and collected from any charges specifically authorized by statute for the publications or records are hereby appropriated to the department or agency issuing the publications for use during the year in which the receipts are collected. The Comptroller shall credit such receipts to the like appropriation item from which the original costs are paid.

Sec. 9-6.19. Distribution of Reports.

- (a) Funds appropriated by this Act may not be expended for the purpose of distributing reports, pamphlets, or other printed matter to members of the Legislature or other state officials unless the agency receiving the appropriation:
 - (1) deposits copies of all printed matter prepared for distribution with the Legislative Reference Library; and
 - (2) sends notification to the members of the Legislature and other state officials that the material is on file and upon request of the person notified the agency mails the number of copies requested.
- (b) Subsection (a) does not prevent the mailing of reports required by general law or by this Act.
- (c) Required reports and minutes of board meetings shall be made available to members of the Legislature and legislative branch agencies in an electronic format as established by the Texas Legislative Council.
- (d) None of the funds appropriated by this Act shall be used to produce any reports or other publications which have been reproduced on enamel-coated, cast-coated or dull-coated stock, unless a fee is charged.

Sec. 9-6.20. Limitation on Expenditures - Capital Budget.

- (a) Contained in appropriations made to certain agencies by this Act are amounts identified as the "Capital Budget." None of the funds appropriated by this Act, in excess of an amount equal to 25 percent of appropriations restricted to capital budget purposes may be expended, in addition to the amounts restricted for capital budget purposes, for purposes included within the definition of capital budget under Subsection (d), without the prior approval of the Governor and Legislative Budget Board.

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- (b) A request for approval to exceed the limitation on capital budget expenditures must be submitted by the agency's governing board and must include at a minimum:
 - (1) the date on which the board approved the request;
 - (2) a statement justifying the need to exceed the limitation;
 - (3) the source of funds to be used to make the purchases; and
 - (4) an explanation as to why such expenditures cannot be deferred.
- (c) This restriction does not apply to:
 - (1) expenditures for capital outlay items that are not included in the definition of "Capital Budget" under Subsection (d); or
 - (2) expenditures for Capital Budget purposes made by:
 - (A) institutions of higher education;
 - (B) public community/junior colleges; or
 - (C) appellate courts.
- (d) "Capital Budget" includes expenditures, for assets with a project cost or unit cost in excess of \$25,000, within the following categories:
 - (1) Acquisition of Land and Other Real Property (except for right-of-way purchases made by the Texas Department of Transportation);
 - (2) Construction of Buildings and Facilities;
 - (3) Repairs or Rehabilitation of Buildings and Facilities;
 - (4) Construction of Roads (except for such expenditures made by the Texas Department of Transportation);
 - (5) Acquisition of Information Resource Technologies;
 - (6) Transportation Items;
 - (7) Acquisition of Capital Equipment and Items; or
 - (8) Other Lease Payments to the Master Lease Purchase Program (for items acquired prior to September 1, 1999 only).
- (e) Any expenditure directly related to acquisition of an asset, or to placing an asset in service, may be paid from the appropriation made to the "Capital Budget."
- (f) In implementing this section, the Comptroller should refer to the detailed instructions for preparing and submitting requests for legislative appropriations for the biennium beginning September 1, 1999, and the definitions therein, and to the official request for legislative appropriations submitted by the affected agency.

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- (g) Appropriations restricted to capital budget purposes and not identified in a “Capital Budget” as being for lease payments to the master lease purchase program (MLPP) or for other lease-purchase payments may be utilized to make lease payments under MLPP or for other lease or installment payments only if the agency to which the appropriation is made provides a report to the Comptroller specifying the sum of the lease payments to be made during the biennium for the Capital Budget item being acquired. The Comptroller shall reduce the appropriation made by this Act for the Capital Budget item in an amount equal to the difference between the appropriated amount and the sum of the lease payments for the biennium and deposit that amount into the unappropriated balance of the original funding source. In the event that the Comptroller cannot determine the amount appropriated for a specific Capital Budget item, the amount shall be determined by the Legislative Budget Board.
- (h) Funds restricted to “Acquisition of Information Resource Technologies” may also be used to purchase or contract for computer time, facility resources, maintenance, and training.
- (i) Appropriations restricted to capital budget purposes may be transferred from one capital budget item to another capital budget item in amounts not to exceed 25 percent of the capital budget item from which funds are being transferred for the fiscal year.
- (j) Any unexpended balances remaining in appropriations made by this Act for capital budget purposes for fiscal year 2000 are hereby reappropriated for fiscal year 2001 for the same purpose.
- (k) For an agency that does not have a Capital Budget provision following its items of appropriation in this Act, the amount of “appropriations restricted to capital budget purposes” is zero for the purpose of calculating the limitation on capital budget expenditures under Subsection (a).

Sec. 9-6.21. Purchases of Information Resource Technologies.

- (a) In this section:
 - (1) “DIR” means the Department of Information Resources.
 - (2) "Information resources" means the procedures, equipment, and software that are employed, designed, built, operated, and maintained to collect, record, process, store, retrieve, display, and transmit information, and associated personnel including consultants and contractors.
 - (3) "Information resources technologies" means data processing and telecommunications hardware, software, services, supplies, personnel, facility resources, maintenance, and training.
 - (4) “Quality Assurance Team” and “QAT” means the representatives of the Department of Information Resources (or the Legislative Budget Board, pursuant to an interagency contract) and the State Auditor.
- (b) Each state agency appropriated funds in this Act shall submit an agency strategic plan, in accordance with Sections 2054.095 and 2054.096 of the Government Code, to the DIR (or the Legislative Budget Board, pursuant to an interagency contract) for approval no later than

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the date provided by law. It is further provided that no state agency may request appropriations for information technology unless the information technology is in a plan approved by the Legislative Budget Board.

- (c) By no later than November 1, 1999, DIR (or the Legislative Budget Board, pursuant to an interagency contract) shall update the state strategic plan, consistent with Sections 2054.091 and 2054.092, Government Code, for the management of information resources. The state strategic plan must be a visionary road map for the management of the state's information resources. The state strategic plan must provide a strategic direction for the management of information resources for the five fiscal years following adoption of the plan.
- (d) Prior to amending a contract for development of a major information technology project, when the amendment constitutes a 10% or greater change, the agency shall notify the Governor, Lieutenant Governor, Speaker of the House, Senate Finance Committee, House Appropriations Committee, Department of Information Resources and the Quality Assurance Team (QAT). An amendment to a contract is not valid without QAT approval for contracts in excess of \$1.0 million that change by more than 10%.
- (e) Institutions of higher education shall coordinate the use of information technologies between institutions in order to provide education, research, and community service.

Sec. 9-6.22. Quality Assurance Review of Major Information Resources Projects.

- (a) In this section:
 - (1) "Major information resources project" means an information resources technology project identified in an agency operating plan whose development costs are over \$1.0 million and includes one or more of the following:
 - (A) requires a year or more to reach operational status;
 - (B) involves more than one agency or governmental unit; or
 - (C) materially alters the work methods of agency personnel or the delivery of services to agency clients.
 - (2) "Quality Assurance Team" or "QAT" means the representatives of the Department of Information Resources (or the Legislative Budget Board, pursuant to an interagency contract) and the State Auditor who execute duties as provided by this section.
- (b) A state agency may not expend appropriated funds for a major information resources project unless the project has been reviewed and approved by the Quality Assurance Team. The Quality Assurance Team shall determine approval based on an analysis of the project's risk. The Quality Assurance Team may request any information necessary to determine a project's potential risk. The Quality Assurance Team may waive the project review requirements for a project.
- (c) The Quality Assurance Team may require independent project monitoring, project status reporting, project expenditure reporting, or any additional information necessary to assess a project's on-going potential for success. After a project has been completed, the Quality Assurance Team may also require an agency to submit a project post-implementation evaluation report to determine if the project met its planned objectives.

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- (d) The State Auditor's Office shall provide audit and review of the projects and the information provided by the agencies.
- (e) The Quality Assurance Team may request the assistance of the Legislative Budget Board and Comptroller in regard to the accuracy of project expenditures and compliance with this Act.
- (f) The Quality Assurance Team shall provide an annual report to the Governor, Lieutenant Governor, Speaker of the House, the House Appropriations Committee, and Senate Finance Committee on the status of projects under its review by December 1.
- (g) The State Auditor may:
 - (1) provide an independent evaluation of the post implementation evaluation review process to ensure the validity of its results; and
 - (2) send the evaluation to the Legislative Audit Committee.
- (h) The Department of Information Resources (or the Legislative Budget Board, pursuant to an interagency contract) may issue guidelines and rules for software development, quality assurance and the review of major information resources projects.
- (i) Unless waived by the Department of Information Resources (or the Legislative Budget Board, pursuant to an interagency contract), the Quality Assurance Team shall require each affected agency to:
 - (1) quantitatively define the expected outcomes and outputs for each major information resource project at the outset;
 - (2) monitor cost; and
 - (3) evaluate the final results to determine whether expectations have been met.

Sec. 9-6.23. West Texas Disaster Recovery and Operations Data Center.

- (a) In this section:
 - (1) "DIR" means the Department of Information Resources.
 - (2) "Center" means the West Texas Disaster Recovery and Operations Center.
- (b) The DIR shall operate, or through cooperative agreement, manage operations of a disaster recovery and operations data center on the campus of Angelo State University. It is the intent of the Legislature that all state agencies and institutions of higher education utilize the Center for testing disaster recovery plans, for disaster recovery services, and for data center operations. None of the funds appropriated by this Act may be expended for entering into or renewing contracts or issuing purchase orders for disaster recovery plan testing services or disaster recovery services or data center operations from other state agencies or other providers of these services without first obtaining a waiver from the DIR (or the Legislative Budget Board, pursuant to an interagency contract) certifying that the requested service requirements cannot be provided at reasonable costs through the Center. Waiver requests will be evaluated by the DIR (or the Legislative Budget Board, pursuant to an interagency contract) based on best value to this State.

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Agencies and institutions of higher education should use the State Auditor's Report 95-139 in evaluating reasonable costs. The DIR (or the Legislative Budget Board, pursuant to an interagency contract) may request assistance from the State Auditor's Office in validating cost evaluations. Waivers may be granted for specific periods of time and any contracts for services obtained under waiver may not extend beyond the expiration date of the waiver.

- (c) State agencies and institutions of higher education that use the Center shall do so under contract with the DIR. The DIR may collect fees for these services in amounts that offset the direct and indirect costs of providing the services. The DIR may request assistance from the State Auditor regarding the billing system formula for offsetting service costs. The DIR shall work with the State Council on Competitive Government on issues concerning state data center consolidations and provide information relating to the use of the Center as a location for one of the state's consolidated data centers.

Sec. 9-6.24. **Construction Policy.** A state entity receiving an appropriation under this Act may not establish a rule or policy that is inconsistent with the legislative intent that funds appropriated by this Act for construction projects be expended only pursuant to state entity policies that provide the greatest competitive advantage to the state allowable under Chapter 2258, Government Code.

Sec. 9-6.25. **Limitation on Use of Funds for Personal Residences.**

- (a) Out of appropriations made by this Act, expenditures exceeding an aggregate amount of \$25,000 for the biennium beginning on September 1, 1999, may not be made for purchasing, remodeling, or repairing of a personal residence or living quarters unless the expenditures are:
 - (1) (A) required by court order;
 - (B) will result in increased safety, significant net cost savings, or prevention of substantial waste; or
 - (C) are specifically identified in a Capital Budget in this Act; and
- (2) the Governor and Legislative Budget Board have approved the expenditure under authority granted pursuant to Article XVI, Section 69, Texas Constitution.
- (b) In the event of an emergency or if the Legislative Budget Board fails to meet before the 30th day following the date of the request, the Director of the Legislative Budget Board, after consultation with the Board members, may take action in conjunction with the Governor on the request.
- (c) The General Services Commission shall report all expenditures exceeding an aggregate amount of \$25,000 for the biennium for purchasing, remodeling, or repairing a personal residence or living quarters to the Legislative Budget Board.

Sec. 9-6.26. **Contracts for Professional Services: Indemnification.** In contracting for professional services under Subchapter A, Chapter 2254, Government Code (the Professional Services Procurement Act) using funds appropriated under this Act, a state agency may require the contractor to indemnify or hold harmless the state from claims and liabilities resulting from the negligent errors, omissions, or acts of the contractor or persons employed by the contractor. A state agency may not include contractual provisions requiring a contractor to indemnify or hold harmless the agency for

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damages arising from the negligent acts of the agency or the agency's employees.

Sec. 9-6.27. Limitation on Contracts with Previous Employees.

- (a) None of the funds appropriated by this Act may be used to enter into a contract for consulting or professional services or into an employment contract, with any individual who has been previously employed by the department or agency within the past twelve months. For the purpose of this section, the term "employment contract" shall include a personal services contract regardless of whether the performance of such a contract involves the traditional relationship of employer and employee.
- (b) This section does not apply to teachers and other similar professionals customarily or traditionally employed by state agencies by means of an employment contract.

Sec. 9-6.28. Contracting for In-State Services. In contracting for professional services using funds appropriated by this Act, a state agency shall require the contractor to purchase products and materials produced in Texas when they are available at a comparable price and in a comparable period of time.

Sec. 9-6.29. Grant Restriction. Funds appropriated by this Act may not be expended for a grant to a law enforcement agency regulated by Chapter 415, Government Code, unless:

- (1) the law enforcement agency requesting the grant is in compliance with all rules developed by the Commission on Law Enforcement Officer Standards and Education pursuant to Chapter 415, Government Code; or
- (2) the Commission on Law Enforcement Officer Standards and Education certifies that the requesting agency is in the process of achieving compliance with such rules.

Sec. 9-6.30. Listing of Bidders. None of the funds appropriated by this Act shall be expended for the development or maintenance of a bidders list other than a central list authorized to be maintained by the General Services Commission under provisions of the State Purchasing and General Services Act. The limitation created by this section shall not apply to institutions of higher education or to the Texas Department of Transportation. However, it is the intent of the Legislature that institutions of higher education utilize the commission's central bidders list whenever possible.

Sec. 9-6.31. Expenditures for State-Federal Relations.

- (a) Funds appropriated by this Act may not be spent by a state agency to carry on functions for which funds have been appropriated to the Office of State-Federal Relations to perform except when an interagency contract has been executed between the Office of State-Federal Relations and the state agency.
- (b) Prior to travel to Washington, D.C., state agency personnel shall inform the Office of State-Federal Relations regarding:
 - (1) the timing of the trip;
 - (2) the purpose of the trip; and
 - (3) the name of a contact person for additional information.

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Sec. 9-6.32. Research Policy.

- (a) An agency may not expend any funds appropriated by this Act for research projects of any type until the agency has adopted and filed with the Legislative Budget Board a policy that clearly establishes and protects the property rights of the state with regard to any patentable product, process, or idea that might result from such research.
- (b) In order to avoid duplication, a state agency, excluding an institution of higher education, may not expend funds appropriated by this Act to conduct or support policy research on a subject within the statutory jurisdiction of another agency without providing prior written notification, to the agency that has the statutory jurisdiction, concerning a work plan and the coordination of resources.

Sec. 9-6.33. Court Representation and Outside Legal Counsel.

- (a) Except as otherwise provided by the Constitution or general or special statutes, the Attorney General shall have the primary duty of representing the State in the trial of civil cases. Prior to expenditure of funds for retaining outside legal counsel, agencies or departments other than those included in Article X of this Act shall request the Attorney General to perform such services. If the Attorney General determines that outside counsel is in the best interest of the State, the Attorney General shall so certify to the Comptroller and to the requesting agency which may then utilize appropriated funds to retain outside counsel. However, funds appropriated by this Act may not be used to contract with an attorney who represents clients before the agency or who has, during a six month period preceding the initiative of the contract and a six month period following the termination of the contract, represented clients before the agency. An agency may not initiate the process of selecting outside legal counsel prior to receiving the approval of the Attorney General to retain outside counsel.
- (b) Funds appropriated in this Act may not be expended by any agency of the state government (other than those included in Article X of this Act) to initiate a civil suit or defend itself against a legal action without the consent of the Attorney General. Absent this consent, the agency shall be represented in that particular action by the Attorney General.
- (c) On receipt of a request for outside counsel, the Attorney General shall make a determination on the request as expeditiously as possible, but in no event later than 10 working days after receiving such request.
- (d) Where the Attorney General, district attorney, criminal district attorney, county attorney, or other lawyer is required by constitutional or statutory provision to represent a state agency, state official, state board, or state department, compensation may not be paid from any appropriation made in this Act to any other attorney for representing the State in the trial of a civil suit except in those cases where the Attorney General consents to such representation or the district attorney, criminal district attorney, county attorney, or other lawyer has requested that the attorneys employed by the particular state agency, state official, state department, or state board assist with the trial of the particular civil suit.
- (e) This section does not restrict a state agency, state official, state department, or state board in the investigation and assembling of evidence in connection with a pending or prospective civil suit. This section does not prohibit the foregoing state officials, state agencies, state boards, or state departments and their employees from investigating, filing, or presenting to any person a claim, owing to the State.

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- (f) This section does not restrict the Attorney General from employing special assistants to assist in the trial of civil suits to be paid from the appropriations therefore made to the Attorney General.
- (g) If a state agency requests the Attorney General to take legal action in court against another state agency, the Attorney General shall give special consideration to permitting one of the agencies to employ, from the permitted agency's funds, outside counsel to represent that agency in that action, in order to avoid a conflict of interest by the Attorney General in the representation of both agencies.
- (h) If the Attorney General initiates legal action against another state agency on behalf of the Attorney General rather than another agency, the Legislature determines that a conflict of interest exists and the agency against which the Attorney General takes action may expend appropriated funds for outside legal counsel to represent that agency without the prior approval or consent of the Attorney General.
- (i) Subsections (a) - (h) do not apply to funds appropriated to:
 - (1) the Office of the Governor;
 - (2) Comptroller;
 - (3) Department of Agriculture;
 - (4) General Land Office and Veteran's Land Board; or
 - (5) the Railroad Commission of Texas.
- (j) The funds appropriated by this Act may not be expended to pay the legal fees or expenses of a lawyer or law firm that represents the State or any of its agencies in a contested matter if the lawyer or law firm is representing a plaintiff in a proceeding seeking monetary damages from the State or any of its agencies.
- (k)
 - (1) None of the money appropriated by this Act may be expended by a state governmental entity for payment of legal fees or expenses under a contingent fee contract for legal services without the prior approval of the Legislative Budget Board in accordance with Article XVI, Section 69, Texas Constitution.
 - (2) For purposes of this section, "state government entity" means a board, commission, department, office, or other agency in the executive branch of state government created under the constitution or a statute, including an institution of higher education.
 - (3) This section applies to all contingent fee contracts for legal services entered into by a state governmental entity, including legal services related to a parens patriae action or proceeding brought by a state governmental entity in the name of the state, except that this section does not apply to a contingent fee contract:
 - (A) for legal services performed for a state governmental entity in relation to the entity's actions as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration of the assets of an insolvent entity,

GENERAL LIMITATIONS ON EXPENDITURES (Continued)

including actions under Article 21.28, Insurance Code, or Chapter 36, 66, 96, or 126, Finance Code; or

(B) under which recoveries from more than one entity are contemplated and the expected amount of each recovery and the actual amount of each recovery do not exceed \$100,000.

(I) Any litigation that results in settlement, court order or other arrangement providing revenues or financial benefits to the State of Texas shall be structured to require the entire amount due to be paid to the treasury.

Sec. 9-6.34. **Judgments.**

(a) The funds appropriated by this Act, including appropriations made in Article X of the Act, may not be expended for payment of a judgment or settlement prosecuted by or defended by the Attorney General and obtained against the State or a state agency, except:

(1) pursuant to this section; or

(2) where it is specifically provided in an item of appropriation that the funds thereby appropriated or expenditures therein authorized may be used for the payment of such judgments.

(b) The authorization provided by this subsection does not apply in those cases where the judgment order of the trial court was entered, or a settlement agreement was executed, prior to September 1, 1995. State agencies appropriated funds by this Act may expend funds appropriated elsewhere in this Act for the purposes of paying settlements and judgments against the state for causes brought in a federal court or a court in this state under specific statutory authority. Payments made pursuant to this subsection are subject to the following processes and limitations:

(1) such funds are to be paid out by the Comptroller on vouchers drawn by the agency settling the lawsuit or paying the judgment, subject to the approval of the Governor and of the Attorney General according to Subsection (d);

(2) for purposes of this subsection, "judgment" means a judgment order rendered in a federal court or a court in this state of competent jurisdiction for which an appeal or rehearing, or application therefor, is not pending and for which the time limitations for appeal or rehearing have expired;

(3) the payment of a settlement or judgment may not exceed \$250,000;

(4) the payment of the settlement or judgment would not cause the total amount of payments made by the payer agency for that fiscal year to exceed 10 percent of the total amount of funds available for expenditure by that agency for that fiscal year; and

(5) the payment of a settlement or judgment may be made only with a complete release from any and all related claims and causes against the State, and in the case of a judgment, the payment may be made only in full satisfaction of that judgment.

(c) A state agency shall report a claim for property damage to the Attorney General not later

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than the second working day after the date the agency receives the claim. A state agency shall prepare a voucher for payment of a claim not later than the 10th working day after the date an agreement to settle the claim has been reached.

- (d) At least one-half of any amounts appropriated by an Act of any session of the Legislature subsequent to the 74th Legislature, Regular Session, in settlement of a judgment or in settlement of a cause of action brought against the State, shall be transferred from amounts appropriated to the involved agency for that fiscal year. The transfer requirement established by this subsection may be waived either in whole or in part by the Legislative Budget Board.
- (e) Payment of all judgments and settlements prosecuted by or defended by the Attorney General is subject to approval of the Attorney General as to form, content, and amount, and certification by the Attorney General that payment of the judgment or settlement is a legally enforceable obligation of the State. This subsection applies equally to funds appropriated for expenditure through the state treasury, as well as funds appropriated for expenditure from funds held in local banks.
- (f) The Attorney General shall report to the Legislative Budget Board and the Governor's Office of Budget and Planning not less than monthly, a listing of all settlements and judgments of more than \$5,000 submitted to the Comptroller for payment. The document for publication shall contain at least the following information unless all or part of the information is exempt by court order or Chapter 552, Government Code, (the Open Records Act):
 - (1) a summary of the cause of action;
 - (2) a summary of the terms of the settlement;
 - (3) the style of the case;
 - (4) the name and business address of each attorney representing the opposing litigants at the time of the settlement;
 - (5) the amount of the judgment or settlement;
 - (6) the fund or account from which payment was or should be made;
 - (7) the statutory citation for the appropriation or other authority to be made;
 - (8) specific statutes granting waiver of sovereign immunity or legislative resolution granting litigant permission to sue;
 - (9) the date of judgment or settlement; and
 - (10) other information as the Legislative Budget Board may request and in the form requested by the Legislative Budget Board.
- (g) The State Auditor may verify compliance with this section for all funds appropriated in this Act, including funds that are retained and expended from accounts held outside the state treasury and that are not subject to reimbursement through funds held in the state treasury. On verification that an agency has not obtained the Attorney General's approval prior to payment of a judgment or settlement, the State Auditor may certify such fact to the Comptroller. The Comptroller may withhold all appropriations for administrative expenses

GENERAL LIMITATIONS ON EXPENDITURES (Continued)

for the involved agency, until the Legislative Audit Committee notifies the Comptroller that the agency's non-compliance has been reviewed and necessary recommendations or changes have been made.

Sec. 9-6.35. **Purchase of Insurance.** None of the funds appropriated by this Act may be expended for purchasing insurance to cover claims arising under the Chapter 101, Civil Practice and Remedies Code, (Texas Tort Claims Act). Notwithstanding the foregoing, a state agency may purchase director's or officer's liability insurance to cover claims arising under the Chapter 101, Civil Practice and Remedies Code, (Texas Tort Claims Act) with appropriated funds for the agency's appointed commission or board members and executive management staff.

Sec. 9-6.36. **Expenditures for Representatives of Grievants Prohibited.**

- (a) The funds appropriated by this Act may not be used to pay expenses for salary, travel, or per diem of a public employee who represents grievants in the presentation of grievances concerning wages, hours of work, or conditions of work.
- (b) Notwithstanding Subsection (a), a state employee may take annual leave, compensatory leave, or leave without pay, subject to the procedures established by the state employee's agency of employment, to engage in this activity.

Sec. 9-6.37. **Agricultural Soil and Water Conservation.** Appropriations made elsewhere in this Act to the Texas Water Development Board, State Soil and Water Conservation Board, Texas Agricultural Experiment Station, or the Texas Agricultural Extension Service out of the Agricultural Soil and Water Conservation Account No. 563 shall be allocated to each of those agencies in equal amounts.

Sec. 9-6.38. **Limitation on Expenditures for Purchases and Conversions of Alternative Fuel Vehicles.** A state agency, including an institution of higher education, that is required to meet the percentage requirements for vehicles capable of using alternative fuels under Chapter 2158, Government Code, may expend funds appropriated by this Act for the purpose of meeting the percentage requirements only if the agency purchases or converts a vehicle that uses the most cost-effective, fuel efficient and mechanically efficient alternative fuel source.

Sec. 9-6.39. **Performance Rewards and Penalties.**

- (a) It is the intent of the legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of each state agency and institution. In order to achieve the objectives and service standards established by this Act, agencies and institutions shall make every effort to attain the designated key performance target levels associated with each item of appropriation.
- (b) To support and encourage the achievement and maintenance of these appropriated annual performance levels, continued expenditure of any appropriations in this Act shall be contingent upon compliance with the following provisions:
 - (1) Agencies and institutions, in coordination with the Legislative Budget Board, shall establish performance milestones for achieving targets within each annual budget and performance period; time frames for these milestones and the related performance reporting schedule shall be under guidelines developed by the Legislative Budget Board.

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- (2) Agencies and institutions shall provide testimony as to the reasons for any performance variances to the Senate Finance Committee and the House Appropriations Committee, as determined to be necessary by those committees; assessments of agency and institution performance shall be provided to the committees under guidelines and procedures developed by the Legislative Budget Board.
- (c) Upon a finding that an agency or institution has successfully met or exceeded performance expectations, or has failed to achieve expected performance levels, the Legislative Budget Board, and the Governor, may adopt a budget execution order, which may include but is not limited to, one or more of the following:
 - (1) Positive Incentives/Rewards - Increased funding, exemption from reporting requirements, increased funding transferability, formalized recognition or accolade, awards or bonuses, expanded responsibility, or expanded contracting authority;
 - (2) Negative Incentives/Redirection - Evaluation of outcome variances for remedial plan, reduction of funding, elimination of funding, restriction of funding, withholding of funding, reduction of funding transferability, transfer of functional responsibility to other entity, recommendation for placement in conservatorship, direction that a management audit be conducted or direction that other remedial or corrective actions be implemented.
 - (3) The Legislative Budget Board may develop rules and procedures for the implementation of the above provisions.
 - (4) The Legislative Budget Board may request from the State Auditor's Office comments regarding performance penalties and rewards.
- (d) To further foster, support, and reward outstanding performance, ongoing productivity improvements and innovative improvement programs, and to retain key high performing employees, qualified state agencies may expend amounts necessary from funds appropriated in this Act for the purposes of enhancing compensation for employees who directly contributed to such improvements. Only classified employees are eligible for enhanced compensation, and this award shall not exceed 6.8 percent of an employee's annual base pay. To be eligible for this provision, an agency must:
 - (1) Achieve or exceed targets for 80 percent of the established key performance measures:
 - (A) For fiscal year 2000, eligibility shall be determined by the Legislative Budget Board based on performance reported to the Automated Budgeting and Evaluation System of Texas (ABEST) for fiscal year 1999;
 - (B) For fiscal year 2001, eligibility shall be determined by the Legislative Budget Board based on performance reported to ABEST for fiscal year 2000; and
 - (C) Have an unqualified certification for at least 70% of its performance measures as shown by its most recent certification review by the State Auditor's Office; and as reflected in the "Summary Assessment of Agency Performance: Fiscal Year 1998" produced by the Legislative Budget Board and submitted to the Seventy-sixth Texas Legislature. If an agency has not been subject to this review, then the agency may submit a request for certification to the State Auditor's Office,

GENERAL LIMITATIONS ON EXPENDITURES (Continued)

accompanied by a self-assessment demonstrating that the agency has satisfied at least 70% of its performance measures. The request and accompanying information shall be prepared according to instructions provided by the State Auditor's Office. The State Auditor's Office shall review an agency's self-assessment and advise the Legislative Budget Board concerning whether the agency satisfies the criteria for eligibility under this section.

- (2) File a report with the Legislative Budget Board, Governor's Office of Budget and Planning, House Appropriations Committee, and Senate Finance Committee describing the success of the innovative program and criteria used to assess the improvements.
- (e) In addition to the provisions of this section, sixty days prior to implementation, qualified agencies are required to file a report with the Legislative Budget Board, Governor's Office of Budget and Planning, House Appropriations Committee, and Senate Finance Committee describing in detail how they intend to use this flexibility to further the goals of this section.

Sec. 9-6.40. **Performance Benchmarking.** It is the intent of the Legislature that selected state agencies and institutions of higher education subject to the strategic planning requirements of Government Code, Chapter 2056, engage in an internal performance benchmarking process which will provide for the identification and development of agency-specific performance benchmarks and their linkage to state-level benchmarks. The Governor's Office will recommend to the Legislative Budget Board which state agencies and institutions of higher education will engage in performance benchmarking during the 2000-01 biennium. These state agencies and institutions of higher education shall report on the results of their benchmarking processes in their strategic plans prepared for the 2001-2005 period pursuant to Government Code, Chapter 2056.

Sec. 9-6.41. **Customer Satisfaction Assessment.** It is the intent of the Legislature that selected state agencies and institutions of higher education identify the groups of individuals who could be deemed as "customers" of the services provided by the agency or institution and assess the level of satisfaction with the services provided by the agency or institution. The Governor's Office will recommend to the Legislative Budget Board which state agencies and institutions of higher education will conduct assessments of customer satisfaction during the 2000-01 biennium. These state agencies and institutions of higher education shall report the results of their assessments of customer satisfaction in their strategic plans prepared for the 2001-2005 period pursuant to Government Code, Chapter 2056.

Sec. 9-6.42. **Accounting Irregularities.** Upon a determination by the Comptroller of Public Accounts that an agency or an institution of higher education has inaccurately reported the expenditure of appropriated funds or has demonstrated other reoccurring accounting irregularities, the Comptroller of Public Accounts is hereby authorized to refer such agency or institution to the State Auditor to take appropriate action including, but not limited to, the implementation of a comprehensive financial audit of the agency or institution.

Sec. 9-6.43. **Activity Based Costing.** It is the intent of the Legislature that the following agencies 1) General Services Commission, 2) Texas Water Development Board, 3) Texas Workforce Commission, 4) Texas Department of Economic Development, and 5) Texas Cosmetology Commission shall implement recommendation CG-1 in *Challenging the Status Quo: Toward Smaller, Smarter Government*, the fifth report of the Texas Performance Review. The Comptroller's Office shall administer the project with the assistance of an ABC project management team comprised of representatives from the State Auditor's Office, the Comptroller's Office, the Legislative Budget

GENERAL LIMITATIONS ON EXPENDITURES (Continued)

Board and the Governor's Office of Budget and Planning. The project management team will coordinate and develop a project plan, training curriculum, lay out agency processes to be analyzed, assist agencies in procuring software and consulting services and aid agencies in the implementation of ABC. A report detailing each agency's or institution's experience with activity based costing, including a conclusion by the project management team, shall be submitted to the legislature no later than January 15, 2001, to consider further expansion. The report shall include the true cost of purchasing goods and services by the agencies. The amount of \$250,000 for the biennium is hereby appropriated for this project. Each of the participating pilot agencies would receive \$50,000 for ABC consulting services and software from the General Revenue fund.

Sec. 9-6.44. **Bookkeeping Entries.** Should clerical or bookkeeping errors result in any moneys being expended, transferred, or deposited into incorrect funds in or with the state treasury or any moneys being cleared from a trust and suspense fund to other than the proper fund, such erroneously expended, transferred, deposited, or cleared moneys may be transferred to the correct funds or accounts or trust and suspense account within the state treasury on request of the administering department with the concurrence of the Comptroller, and so much as is necessary for said transfer is hereby appropriated.

Sec. 9-6.45. **Accounting for State Expenditures.**

- (a) Notwithstanding the various patterns of appropriation established in this Act, the Comptroller shall account for the expenditure of funds appropriated by this Act in a manner that allows for the reporting of expenditures attributable to each strategy in each agency's respective Strategic Planning and Budget Structure as approved by the Governor's Office of Budget and Planning and the Legislative Budget Board. The information shall be recorded and maintained systematically in the state accounting system in a manner that provides for the integration of the state's budget data and the state's accounting data and to facilitate the state's budget development process.
- (b) This section does not require the deposit into and subsequent disbursement of funds from the state treasury that relate to Texas Public Education Grants, Skiles Act Debt Service, or "local funds" defined in Section 51.009, Education Code, except for tuition and lab fees.

Sec. 9-6.46. **Grants.**

- (a) Funds appropriated by this Act for grants of money to be made by state agencies, including the agencies in the legislative branch, are appropriated for the statutory purposes as the grantor agency may specify. A state agency shall distribute grants on a reimbursement or as needed basis unless otherwise provided by statute or otherwise determined by the grantor agency to be necessary for the purposes of the grant.
- (b) Funds appropriated by this Act for grants to be made by a state agency for a particular fiscal year may be distributed in subsequent fiscal years so long as the grant has been awarded and treated as a binding encumbrance by the grantor agency prior to the end of the appropriation year of the funds appropriated for grant purposes. Distribution of the grant funds is subject to Section 403.071, Government Code.

Sec. 9-6.47. **Fee Increase Notification.** None of the funds appropriated by this Act may be expended by an agency which increases the rate of a fee assessed by that agency unless the agency provides a notice to the payer of the fee that the fee rate was set by the agency or its governing board and not mandated by the Legislature.

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Sec. 9-6.48. **Prompt Payment for Interagency Goods and Services.** Any funds appropriated by this Act that are obligated pursuant to written agreement for payment by one state agency or institution to another state agency or institution for the exchange of goods or services shall be remitted within thirty (30) days after the goods or services are provided and an invoice is received. In the event that a receiving agency or institution does not accept the goods or services or finds an error in the invoice, the receiving agency or institution shall notify the performing agency or institution in writing as soon as possible within the 30-day period and shall make payment not less than ten (10) days after the problems are corrected or the error resolved to the satisfaction of both parties. If both parties are unable to agree on the amount of payment, the Comptroller shall determine the appropriate amount. However, in the event that written notice is not provided within the 30-day period, the Comptroller is hereby authorized to transfer the necessary funds upon request by the agency or institution providing the interagency goods and services from appropriated balances of the receiving agency or institution.

Sec. 9-6.49. **Prompt Payment Discounts.**

- (a) State agencies when purchasing goods and services including those purchased through or by the General Services Commission shall negotiate a prompt payment discount with the vendor.
- (b) All state agencies when paying for goods and services that were purchased under an agreement that included a prompt payment discount shall submit the necessary payment documents or information to the Comptroller with sufficient lead time to allow the Comptroller to generate a payment or warrant and for the agency to deliver the warrant to the vendor in time to take advantage of the prompt payment discount.

Sec. 9-6.50. **Reimbursements for Unemployment Benefits.**

- (a) At the close of each calendar quarter, the Texas Workforce Commission shall prepare a statement reflecting the amount of unemployment benefits paid to all former state employees based on wages earned from state employment and present it to the Comptroller. The Comptroller shall pay by warrant or transfer out of funds appropriated from the Unemployment Compensation Special Administration Fund Account No. 165 such amount to the Unemployment Compensation Benefit Account No. 937 to reimburse it for such payments.
- (b) The Unemployment Compensation Special Administration Fund Account No. 165 shall be reimbursed, for one-half of the unemployment benefits paid, from appropriations made in this Act to the state agency that previously employed each respective former state employee whose payroll warrants were originally issued in whole or part from the General Revenue Fund, dedicated General Revenue Fund accounts, or Other Special Funds. From information provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from the General Revenue Fund, dedicated General Revenue Fund accounts, and Other Special Fund appropriations and transfer such amounts to the Unemployment Compensation Special Administration Fund Account No. 165. The amounts reimbursed pursuant to this subsection are hereby reappropriated to the Unemployment Compensation Special Administration Fund Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937. The reimbursement requirements established by this subsection may be waived, either in whole or in part, by the Legislative Budget Board.

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- (c) In addition to other reimbursement provided by this section, the Unemployment Compensation Special Administration Fund Account No. 165 shall be reimbursed, for one-half of the unemployment benefits paid, from amounts appropriated to the Reimbursements to the Unemployment Compensation Benefit Account item in this Act out of dedicated General Revenue Fund accounts or Other Special Funds and shall be fully reimbursed from funds held in local bank accounts, for all former state employees whose payroll warrants were originally issued in whole or part from dedicated General Revenue Fund accounts, Other Special Funds or local bank accounts, respectively. From information provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from funds other than General Revenue and transfer such funds to the Unemployment Compensation Special Administration Fund Account No. 165. The amounts reimbursed from local funds pursuant to this subsection are hereby appropriated to the Unemployment Compensation Special Administration Fund Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937. Such transfers and payments as are authorized under law shall be made not later than the 30th day after the date of receipt of the statement of payments due.
- (d) The Comptroller may prescribe accounting procedures and regulations to implement this section.
- (e) An agency, institution, department, commission, board, division, or other unit of state government is authorized to allocate funds to a revolving account created on its books to receive contributions from funds other than General Revenue based on a percentage-of-payroll assessment to be determined by such unit of government for the purpose of reimbursing the Unemployment Compensation Special Administration Fund Account No. 165 for the unemployment benefits paid.
- (f) The Comptroller, upon certification of amounts due from the Texas Workforce Commission, including the sources of such amounts due, may transfer funds from such state agencies or institutions or other units of state government as the Texas Workforce Commission certifies remain due more than 30 days from receipt of the statement of payments due. The Texas Workforce Commission shall also determine the amounts due from funds held outside the state treasury and notify the State Auditor and Comptroller of such amounts.

Sec. 9-6.51. Reimbursements for Workers' Compensation Payments.

- (a) At the close of each fiscal quarter, the State Office of Risk Management shall prepare a statement reflecting the amount of workers' compensation benefits paid to, or on behalf of, former and current state employees based on wages earned from state employment and present it to the Comptroller.
- (b) The General Revenue Fund shall be reimbursed, for 25 percent of the workers' compensation benefits paid out of strategy item A.1.1., Workers' Comp Payments, from appropriations made elsewhere in this Act to the state agency that previously employed or currently employs each former or current state employee whose payroll warrants were originally issued in whole or in part from the General Revenue Fund, dedicated General Revenue Fund accounts, or Other Special Funds. From information provided by the State Office of Risk Management, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from the General Revenue Fund, dedicated General Revenue Fund accounts, and Other Special Fund appropriations and transfer such amounts to the General Revenue Fund. The

GENERAL LIMITATIONS ON EXPENDITURES

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amounts reimbursed pursuant to this subsection are hereby reappropriated for the purpose of paying workers' compensation benefits out of strategy item A.1.1., Workers' Comp Payments, for current and former state employees. The reimbursement requirements established by this subsection may be waived, either in whole or in part, by the Legislative Budget Board.

- (c) In addition to other amounts, the General Revenue Fund shall be reimbursed, for 75 percent of the workers' compensation benefits paid, from balances in dedicated General Revenue Fund accounts and in Other Special Funds, and shall be fully reimbursed from funds held in local bank accounts, for all former and current state employees whose payroll warrants were originally issued in whole or in part from dedicated General Revenue Fund accounts, Other Special Funds or local bank accounts, respectively. From information provided by the State Office of Risk Management, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from funds other than General Revenue and transfer such funds to the General Revenue Fund. Twenty-five percent of the amounts reimbursed from local funds pursuant to this subsection are hereby appropriated for the purpose of paying workers' compensation benefits out of strategy item A.1.1., Workers' Comp Payments, for current and former state employees.
- (d) Transfers and payments as are authorized under law shall be made not more than 30 days from receipt of the statement of payments due.
- (e) The Comptroller may prescribe accounting procedures and regulations to implement this section.
- (f) An agency, institution, department, commission, board, division, or other unit of state government is authorized to allocate funds to a revolving account created on its books to receive contributions from funds other than General Revenue based on a percentage-of-payroll assessment to be determined by such unit of government for the purpose of reimbursing the General Revenue Fund for the workers' compensation paid.
- (g) The Comptroller on certification of amounts due from the State Office of Risk Management, including the sources of such amounts due, may transfer funds from such state agencies or institutions or other units of state government as the State Office of Risk Management certifies remain due more than thirty days from receipt of the statement of payments due. The State Office of Risk Management shall also determine the amounts due from funds held outside the state treasury and notify the State Auditor and Comptroller of such amounts.

Sec. 9-6.52. Statewide Capital Planning.

- (a) An agency or institution of higher education appropriated funds by this Act shall supply to the Bond Review Board capital planning information relating to projects subject to this section and financing options for the 2002-03 fiscal biennium in a format and according to guidelines developed by the Bond Review Board. Such information shall include:
 - (1) a description of the project or acquisition;
 - (2) the cost of the project;
 - (3) the anticipated useful life of the project;
 - (4) the timing of the capital need;
 - (5) a proposed source of funds (method of financing);
 - (6) a proposed type of financing; and
 - (7) any additional related information requested by the Bond Review Board.

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- (b) The Bond Review Board shall compile a statewide capital expenditure plan for the 2002-03 fiscal biennium from the information submitted by agencies and institutions in accordance with the capital planning guidelines. Copies of the guidelines shall be filed with the Governor's Office of Budget and Planning and the Legislative Budget Board no later than December 31, 1999. The Bond Review Board shall file copies of the capital expenditure plan for the period beginning September 1, 2001 with the Governor's Office and the Legislative Budget Board no later than September 1, 2000.
- (c) The statewide capital plan required by this section shall identify the state's capital needs and alternatives to finance these needs. The Bond Review Board shall review input from all state agencies and institutions regarding the agencies' and institutions' current and future capital needs as part of the strategic planning process. The Bond Review Board shall inform the Legislature on the possible budget impact of the capital plan on the state's debt capacity.
- (d) This section applies to each anticipated state project requiring capital expenditures for:
 - (1) land acquisition;
 - (2) construction of building and other facilities;
 - (3) renovations of buildings and other facilities estimated to exceed \$1 million in the aggregate for a single state agency or institution of higher education; or
 - (4) major information resources projects estimated to exceed \$1 million.

Sec. 9-6.53. **Consolidated Funds.** Contingent on the enactment of legislation relating to the dedication of funds, the Comptroller, on approval of the Legislative Budget Board, may change an applicable agency's method of financing source name as provided in this Act to reflect changes made by the other legislation that affects the status of the funding source. No change in the amount of the appropriation would be affected by this change.

Sec. 9-6.54. **Cost of Medications.** When expending funds appropriated by this Act for medications, the following agencies may employ strategies to limit medication costs, including negotiating favorable prices with suppliers, participating in pharmaceutical company-sponsored pilot programs, participating in public health pricing initiatives, participating in the Vendor Drug Program operated by the Department of Health, and employing generic equivalents when indicated. By September 1, 2000, each agency expending funds appropriated by this Act for medications shall submit a report to the Legislative Budget Board and the Governor, documenting its efforts to manage medication costs:

- (1) Department of Health;
- (2) Department of Mental Health and Mental Retardation;
- (3) Department of Criminal Justice;
- (4) Texas Youth Commission;
- (5) University of Texas Medical Branch at Galveston;
- (6) University of Texas M.D. Anderson Cancer Center;
- (7) University of Texas Health Science Center at Houston; and
- (8) Texas Tech University Health Sciences Center.

Sec. 9-6.55. **Purchasing of Pharmaceuticals.** An agency appropriated funds for the purpose of the purchase of pharmaceutical products may establish a preference for the purchase of those pharmaceutical products from a manufacturer that voluntarily participates in the Department of Health's Vendor Drug Rebate Program for the Chronically Ill and Disabled Children's Program and the Kidney Health Care Program.

GENERAL LIMITATIONS ON EXPENDITURES

(Continued)

Sec. 9-6.56. **Radio Conversion.** No funds appropriated to Article V agencies, the General Land Office, the Parks and Wildlife Department, or the Texas Department of Transportation for radio conversion may be spent by the agency unless the equipment meets FCC mandates for future spectrum efficiency and is compatible with federal and state communications systems. Prior to the expenditure of any funds, the agency must first develop a coordinated plan approved by the Statewide Radio System Task Force.

PART 7. REPORTING REQUIREMENTS

Sec. 9-7.01. Budgeting and Reporting.

- (a) As a limitation and restriction upon appropriations made by this Act, agencies and institutions of higher education appropriated funds by this Act may expend funds only if there is compliance with the following provisions:
 - (1) On or before November 1 of each fiscal year, an itemized budget covering the operation of that fiscal year shall be filed with the Governor's Office of Budget and Planning, the Legislative Budget Board, the Comptroller of Public Accounts and Legislative Reference Library in the format prescribed jointly by both budget offices.
 - (2) All subsequent amendments to the original budget shall be filed with the Governor's Office of Budget and Planning and the Legislative Budget Board within thirty (30) days of approval of such amendments unless such reporting requirement is waived.
 - (3) Under guidelines developed by the Legislative Budget Board, each agency shall file a report with the Legislative Budget Board, the Governor's Office of Budget and Planning, the Legislative Reference Library, the state publications clearinghouse of the Texas State Library, and the appropriate substantive committees of the House and Senate analyzing its performance relative to the attainment of stated outcome, output and efficiency targets of each funded goal and strategy. The report shall be submitted at such intervals required by the Legislative Budget Board and shall contain a comparison of actual performance for the reporting period with targeted performance based on the level of funding appropriated. In developing guidelines for the submission of agency performance reports, the Legislative Budget Board (in consultation with the Governor's Office of Budget and Planning) shall:
 - (A) specify the measures to be reported including the key performance measures established in this Act;
 - (B) approve the definitions of measures reported; and
 - (C) establish standards for and the reporting of variances between actual and targeted performance levels.
 - (4) The Legislative Budget Board (in consultation with the Governor's Office of Budget and Planning) may adjust projected performance target levels, develop new measures, modify or omit existing measures and measure definitions, and/or transfer measures between agencies, goals or strategies to reflect appropriation changes made by riders or other legislation subsequent to passage of this Act, invocation of budget execution authority by the Governor and the Legislative Budget Board, or as unforeseen circumstances may warrant during the biennium.

REPORTING REQUIREMENTS (Continued)

- (5) To ensure that the Program and Cost Accounting functions of the Uniform Statewide Accounting System (USAS) are maximized, it is the intent of the Legislature that the Legislative Budget Board and the Governor's Office of Budget and Planning:
 - (A) determine the agencies, institutions, goals, strategies or other reporting units for which cost accounting data is required;
 - (B) approve the basis for calculating and allocating costs to selected functions, tasks or measures;
 - (C) determine the frequency of reporting cost accounting data needed; and
 - (D) provide for the integration of cost accounting data into the budget development and oversight process.
 - (6) The determinations to be made should be based upon due consideration of the relative benefits and cost-effectiveness of applying cost accounting requirements to a given state operation.
- (b) It is further the intent of the Legislature that the Comptroller of Public Accounts develop and provide USAS training modules and support for state agencies and institutions to activate the cost accounting requirements addressed above.

Sec. 9-7.02. **Report of Expenditures by County.** The Comptroller of Public Accounts shall prepare an annual report reflecting expenditures by state agencies for each county. The report shall include appropriate information to both summarize total expenditures by agency by county, and reflect the type of expenditures by object or other arrangement as determined by the Comptroller. To the extent possible, all expenditures from funds held in the state treasury shall be reported on an actual basis reflecting the county where the goods or services were delivered. However, in situations where it may not be possible or practical to accurately determine the correct county, such as debt service payments, employee fringe benefits, etc., the Comptroller shall estimate the expenditures by county. All state agencies shall cooperate as necessary with the Comptroller in providing necessary information to enable the timely completion of the report. A copy of each report shall be filed with the Governor, Lieutenant Governor, Speaker of the House of Representatives, and Legislative Budget Board no later than December 1 of each year.

Sec. 9-7.03. **Acknowledgment of Exceptions to Certain Purchases.** The Legislature directs the General Services Commission to notify the board and commission members, agency heads and elected officials of all state agencies including institutions of higher education that the Commission, pursuant to Section 2155.067, Government Code, has taken exception to the respective agency's decision to purchase any good, service, or item on a non-competitive basis.

Sec. 9-7.04. **Annual Reports and Inventories.**

- (a) None of the moneys appropriated by this Act may be expended after November 20th following the close of the fiscal year unless an annual report has been filed by the executive head of each department or agency specified in this Act in accordance with Section 2101.011, Government Code.
- (b) The State Auditor shall certify to the Comptroller any departments that have not filed the

REPORTING REQUIREMENTS (Continued)

required annual report within the specified time, and the Comptroller shall withhold any appropriations for expense reimbursements for the heads or any employees of such departments or agencies as are on this certified list until the State Auditor notifies the Comptroller that the delinquent reports have been filed. The words “heads of departments or agencies” as used in this Section shall mean the elected and appointed officials, members of commissions, boards, etc., and the chief administrative officer of such department, board, commission, bureau, office, or agency of the state for which appropriations are made in this Act.

Sec. 9-7.05. **Contract Notification.**

- (a) An agency or institution shall provide written notification, on a form prescribed by the Legislative Budget Board, to the Legislative Budget Board, not later than the 10th day after a state agency or institution of higher education enters into:
 - (1) a contract for consulting services as defined by Section 2254.021(1), Government Code;
 - (2) a contract for professional services as defined by Section 2254.002(2), Government Code;
 - (3) a construction contract; or
 - (4) a contract for major information systems.
- (b) The notification requirement established by this section also applies to an amendment, modification, renewal or extension of a contract subject to this section.
- (c) The notification requirement established by this section does not apply to a contract for which the total value does not exceed \$14,000, including amendments, modifications, renewals and extensions, or to a professional services contract for medical or optometric services.
- (d) In this section “major information system” includes:
 - (1) computers that costs more that \$100,000;
 - (2) a service related to computers, including computer software that costs more that \$100,000;
 - (3) a telecommunications apparatus or device that serves as a component of a voice, data, or video communications network for transmitting, switching, routing, multiplexing, modulating, amplifying, or receiving signals on the network that costs more than \$100,000.

Sec. 9-7.06. **Preference to Texas Products.** It is the intent of the Legislature that all state agencies making purchases of goods or services give preference to those goods or services provided in this state or offered by Texas bidders if the cost to the state and quality of goods or services are equal.

REPORTING REQUIREMENTS

(Continued)

Sec. 9-7.07. **Notification to Members of the Legislature.** An agency shall provide notification to affected members of the Legislature prior to the public announcement of the closing of any agency field offices.

Sec. 9-7.08. **Reporting Requirements: Temporary Assistance for Needy Families (TANF) Federal Funds.**

- (a) In this section:
 - (1) “Single State Agency” means the agency designated to administer TANF.
 - (2) “TANF” means temporary assistance for needy families.
- (b) A state agency appropriated TANF federal funds shall report to the single state agency for TANF, all federal, state, and local expenditures, administrative expenditures in relation to the 15 percent federal ceiling, related caseload data, and work participation rates on a quarterly basis to ensure compliance with federal provisions and the state maintenance of effort.
- (c) The single state agency for TANF shall compile a report of the information and submit it to the Legislative Budget Board and the Office of the Governor by September 1, December 1, March 1, and June 1 of each year of the biennium. Each report submitted to the Legislative Budget Board and the Office of the Governor pursuant to this section must be accompanied by supporting documentation as specified by the Legislative Budget Board and the Office of the Governor.

Sec. 9-7.09. **Reporting Requirements: Child Care and Development Fund (CCDF).** The Texas Workforce Commission, in cooperation with the Department of Protective and Regulatory Services, shall submit a quarterly report to the Legislative Budget Board and the Office of the Governor regarding all federal, state and local expenditures on child care, including administrative expenditures in relation to the 5 percent federal ceiling. Each report shall be submitted on September 1, December 1, March 1, and June 1 of each year of the biennium and must be accompanied by supporting documentation as specified by the Legislative Budget Board and the Office of the Governor.

PART 8. OTHER APPROPRIATION AUTHORITY

Sec. 9-8.01. **Acceptance of Gifts of Money.**

- (a) A gift or bequest of money to a state agency named in this Act, including the legislative branch, that has specific authority to accept gifts is appropriated to the agency designated by the grantor and for the purpose the grantor may specify, subject to Subsections (b), (c), and (d).
- (b) Unless exempted by specific statutory authority, a gift or bequest of money shall be:
 - (1) deposited into the state treasury, and
 - (2) expended in accordance with the provisions of this Act.
- (c) A gift or bequest to a state agency may not be transferred to a private or public development fund or foundation, unless written permission for the transfer is given by the donor of the gift or representative of the estate. An account of all such letters of written permission and

OTHER APPROPRIATION AUTHORITY (Continued)

transfers of gifts or bequests shall be kept by the agency and shall be reported to the State Auditor.

- (d) An unexpended balance, from a gift or bequest, remaining at the end of a fiscal year is hereby reappropriated for use during the following fiscal year for the purpose provided by the grantor.

Sec. 9-8.02. **Federal Funds/Block Grants.**

- (a) All funds received from the United States government by a state agency or institution named in this Act are hereby appropriated to the agency for the purposes for which the federal grant, allocation, aid, payment, or reimbursement was made subject to the provisions of this section.
- (b) Except for an institution of higher education, federal funds:
 - (1) including unexpended balances, shall be deposited to and expended from the specific appropriation item identified in this Act; and
 - (2) may not be expended for a strategy or function other than a strategy or function that has been reviewed by the Seventy-sixth Legislature and authorized by specific language in this Act or encompassed by an agency's budget structure as established by this Act.
- (c) As applicable, federal reimbursements received for expenditures previously made or services performed on behalf of federal programs from state funds shall be credited by the Comptroller to the fund from which the expenditure was originally made. The credit shall be to the agency's current appropriation item or accounts from which the expenditures of like character were originally made and are hereby reappropriated. Reimbursements received from employee benefits paid from General Revenue Fund appropriations of other administering agencies shall be deposited to the unappropriated General Revenue Fund.
- (d) A position created for administration of federal grant programs shall be phased out upon discontinuance of the particular federal grant for which it was authorized.
- (e) Annual reports showing federal funds received and their intended usage shall be filed by the Governor's Budget and Planning Office with the presiding officers of both houses of the Legislature for referral to appropriate standing committees for review.
- (f) Agencies subject to Chapter 654, Government Code (the Position Classification Act) will make federal grant employment in accordance with the provisions of that Act in positions listed in, or otherwise authorized by, this article.
- (g) In order to maximize the amount of federal alcohol and drug abuse funds that might become available to the Texas Commission on Alcohol and Drug Abuse, state funds used by a state agency to provide alcohol and drug abuse services may be counted towards any required state matching contribution for such federal funds.
- (h) In the event that federal programs that authorize federal funds included in this Act are eliminated, consolidated, or replaced with new federal programs and funding authorization or block grants, or the federal funds appropriated to agencies are reduced, any reduction or

OTHER APPROPRIATION AUTHORITY (Continued)

reallocation of federal funds will be distributed across affected agencies and programs to pattern the strategies and programs included in this Act to the extent possible without restricting the state's ability to receive federal funds, in accordance with a plan adopted by the designated single state agency or otherwise by each affected agency. An agency shall provide a copy of the plan to the Legislative Budget Board and the Governor.

Sec. 9-8.03. **Reimbursements and Payments.**

- (a) Any reimbursements received by an agency of the state for authorized services, including contractual agreements with a non-governmental source or any unit of government, including state, federal, or local government, and any payments to an agency of the state government made in settlement of a claim for damages, are hereby appropriated to the agency of the state receiving such reimbursements and payments for use during the fiscal year in which they are received. Revenues specifically established by statute on a fee or service provided basis are not appropriated by this section and are available for expenditure by the collecting agency only if appropriated elsewhere in this Act.
- (b) Forfeited money, proceeds from the sale of forfeited property or similar monetary awards related to the agency's participation in the seizure of controlled substances or other contraband are hereby appropriated to the receiving state agency, unless distribution is otherwise provided by statute or specific provision of this Act.
- (c) Except as provided elsewhere in this Act, net amounts of money received by an agency as a result of tax seizures or other similar recoveries authorized by statute shall be deposited in the state treasury as unappropriated revenues to the funds or accounts authorized by statute.
- (d) The portion of proceeds representing recoveries of costs incurred in forfeitures under Subsection (b) or, seizures or similar recoveries under Subsection (c) are appropriated to the receiving agency. Such cost recoveries include court costs, attorney fees, rentals or storage fees, auction and sale costs, preparation costs to condition property for sale, and salaries, travel, and other overhead costs of the agency.
- (e) The reimbursements and payments received under Subsection (a) shall be credited by the Comptroller to the agency's current appropriation items or accounts from which the expenditures of like character were originally made, or in the case of damage settlements to the appropriation items or accounts from which repairs or replacements are made; provided, however, that any refund of less than fifty dollars (\$50) to an institution of higher education for postage, telephone service, returned books and materials, cylinder and container deposits, insurance premiums and like items, shall be deposited to the current fund account of the institution in the state treasury and such funds are hereby reappropriated.

Sec. 9-8.04. **Surplus Property.** Receipts to any agency of the state government specified in this Act received from the sale of surplus property, equipment, livestock, commodities, or salvage pursuant to the provisions of Chapter 2175, Government Code, are hereby appropriated to the state agency for expenditure during the fiscal year in which the receipts are received. Receipts from such surplus and salvage sales shall be credited to the appropriation item from which like property, equipment, livestock, or commodities would be purchased.

OTHER APPROPRIATION AUTHORITY (Continued)

Sec. 9-8.05. **Refunds of Deposits.**

- (a) Any money deposited into the state treasury which is subject to refund as provided by law shall be refunded from the fund into which the money was deposited, transferred, or otherwise credited, and so much as is necessary for said refunds is hereby appropriated.
- (b) Unless another law, or section of this Act, provides a period within which a particular refund claim must be made, funds appropriated by this Act may not be used to pay a refund claim made under this section after four years from the latest date on which the amount collected or received by the state was due, if the amount was required to be paid on or before a particular date. If the amount was not required to be paid on or before a particular date, a refund claim may not be made after four years from the date the amount was collected or received. A person who fails to make a refund claim within the period provided by law, or this provision, may not receive payment of a refund under this section.
- (c) As a specific limitation to the amount of refunds paid from funds appropriated by this Act during the 2000-01 biennium, the Comptroller may not approve claims or issue warrants for refunds in excess of the amount of revenue estimated to be available from the tax, fee, or other revenue source during the biennium according to the Biennial Revenue Estimate of the Comptroller used for certification of this Act. Any claim or portion of a claim that is in excess of this limitation shall be presented to the next legislature for a specific appropriation in order for payment to be made. The limit provided by this subsection does not apply to any taxes or fees paid under protest.

Sec. 9-8.06. **Vending Machines Authorized.** Except in those areas which are now served by vendors operating under supervision of the Texas Commission for the Blind, vending machines may be placed on state-owned or leased property or in state-owned or leased buildings only with the approval of the governing boards or commissions and such approval shall be recorded in the minutes of the body. A copy of the contract shall be filed with the General Services Commission showing the location within the agency and the terms of the contract. Proceeds, net revenues, rentals, or commissions received shall be accounted for as state revenue and the amount so collected is hereby appropriated to the institution, board, commission, or agency for use as directed by the board or commission authorizing the installation. The amount of such proceeds, net revenues, rentals, or commissions and disposal of such funds shall be included in the annual report of the state agency as required elsewhere in this Act. Vending machines located in areas or buildings now being serviced by vendors under the supervision of the Texas Commission for the Blind must be operated under a joint contract with the machine owners and the vendors operating under the supervision of the Texas Commission for the Blind.

Sec. 9-8.07. **Pay Station Telephones Authorized.** Pay station telephones may be located in the capitol area only with the approval of the General Services Commission and the net proceeds of such installations shall be collected and deposited to the General Revenue Fund by the General Services Commission. In other areas pay telephones may be located in state-owned or leased buildings or on state-owned land only with the approval of the governing board or commission and the net proceeds shall be collected and accounted for as state revenue and the amount so collected is hereby appropriated for use by the agency as determined by the governing board or commission. The amount of net proceeds and disposal of such funds shall be included in the annual report of the state agency as required elsewhere in this Act.

Sec. 9-8.08. **Appropriation of Collections for Seminars and Conferences.** All funds collected for the reimbursement of costs directly associated with the conducting of seminars, conferences, or

OTHER APPROPRIATION AUTHORITY

(Continued)

clinics that directly relate to the legal responsibilities and duties of the agency and that are for the purposes of education, training, or informing employees or the general public are hereby appropriated for the necessary expenses incurred in conducting the seminar; provided, however, all applicable laws, and rules and regulations for the acquisition of goods and services for the state shall apply to the expenditures. Any unexpended balances remaining as of August 31, 1999, in an appropriation made by Article IX, Section 112, of H.B. 1, Seventy-fifth Legislature, Regular Session, 1997, are hereby reappropriated for the same purpose.

Sec. 9-8.09. **Appropriation of Bond Proceeds.** The proceeds from the issuance and sale of bonds or other obligations pursuant to the provisions of Articles 601d and 601d-1, V.T.C.S., are appropriated to the state agency to whose account the proceeds are deposited or credited. Proceeds include interest and investment income.

Sec. 9-8.10. **CMIA Interest Payments.**

- (a) There is hereby appropriated to the Comptroller for the biennium ending August 31, 2001 sufficient general revenue monies for the payment of interest due the federal government under the federal Cash Management Improvement Act of 1990 (31 U.S.C. Section 6501 et seq.).
- (b) An amount equal to the amount of interest payments made from general revenue on behalf of special funds or accounts as a result of the federal Cash Management Improvement Act of 1990 is hereby appropriated from special funds. The comptroller shall transfer from each special fund or account to general revenue, an amount equal to the amount of interest paid on behalf of each special fund or account.

Sec. 9-8.11. **Appropriation of Disproportionate Share Hospital Payments to State Owned Hospitals.** Disproportionate Share Hospital Program payments from the Texas Department of Health to state owned hospitals are appropriated to the receiving state agency/hospital as replacement funding for funds transferred to the Texas Department of Health and are subject to the accounting provisions as required by the Comptroller including deposits to the fund or account from which the original source of transfers to the Texas Department of Health was made.

Sec. 9-8.12. **Appropriation of Receipts: Credit Card Service Fees.** Any fee receipts assessed by an agency for the use of a credit card to pay a fee or penalty, as may be authorized by law, are hereby appropriated to that agency for the purpose of paying the service charge assessed by the credit card issuer.

PART 9. EQUAL OPPORTUNITY PROVISIONS

Sec. 9-9.01. **Discriminatory Practices.** None of the funds appropriated by this Act shall be expended by agencies which practice discrimination based on race, creed, sex or national origin. The State Attorney General shall be specifically responsible for the enforcement thereof upon the request of the Governor.

Sec. 9-9.02. **Goods or Services Provided by Texans with Disabilities.** State agencies and institutions covered by this Act are encouraged to fully utilize appropriated funds to purchase products and services provided by Texans with disabilities under the provisions of Chapter 122, Human Resources Code.

EQUAL OPPORTUNITY PROVISIONS

(Continued)

Sec. 9-9.03. Contracting with Historically Underutilized Businesses.

- (a) It is the intent of the Legislature that any qualified business should have access to compete for business from the state.
- (b) It is the intent of the Legislature that this section apply to any appropriation made by this Act to state agencies and institutions of government.
- (c) In this section "historically underutilized business" means an entity with its principal place of business in Texas and which is:
 - (1) a corporation formed for the purpose of making a profit in which at least 51 percent of all classes of the shares of stock or other equitable securities are owned by one or more persons who are economically disadvantaged because of their identification as members of certain groups, including Black Americans, Hispanic Americans, women, Asian Americans, and Native Americans, and have suffered the effects of discriminatory practices or similar insidious circumstances over which they have no control; and have a proportionate interest and demonstrate active participation in the control, operation, and management of the corporation's affairs;
 - (2) a sole proprietorship created for the purpose of making a profit that is 100 percent owned, operated, and controlled by a person described by Subdivision (1) of this subsection;
 - (3) a partnership formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons who are described by Subdivision (1) of this subsection and have a proportionate interest and demonstrate active participation in the control, operation, and management of the partnership's affairs;
 - (4) a joint venture in which each entity in the joint venture is a historically underutilized business under this subsection; or
 - (5) a supplier contract between a historically underutilized business under this subsection and a prime contractor under which the historically underutilized business is directly involved in the manufacture or distribution of the supplies or materials or otherwise warehouses and ships the supplies.
- (d) In this section "Commission" means the General Services Commission.
- (e) It is the intent of the Legislature that the Commission adopt rules based on the results of the "State of Texas Disparity Study, A Report to the Texas Legislature as Mandated by H.B. 2626, 73rd Legislature, December, 1994" (prepared by National Economic Research Associates, Inc.). All state agencies and institutions of higher education shall adopt the Commission rules. Each state agency and institution of higher education shall make a good faith effort to increase purchases and contract awards to historically underutilized businesses based on the rules adopted by the Commission to implement the disparity study.
- (f) It is the intent of the Legislature that state agencies and institutions of higher education shall report to the commission the following information, classified by group status as defined in Subsection (c)(1) above and by gender:

EQUAL OPPORTUNITY PROVISIONS

(Continued)

- (1) the total dollar amount of purchases and payments made under contracts awarded to historically underutilized businesses;
 - (2) the number of businesses participating in state bond issuances, if applicable;
 - (3) the number of businesses used in acquiring, constructing, or equipping state facilities or operating state programs with funds appropriated by this Act; and
 - (4) the number of historically underutilized businesses submitting bids and/or proposals for the acquisition, construction, equipping, or operational implementation of state facilities or programs.
- (g) It is the intent of the Legislature that all state agencies and institutions of higher education appropriated funds by this Act shall report to the Commission and Comptroller all non-treasury funds spent with historically underutilized businesses in accordance with the reporting required in Chapter 2161, Government Code.
- (h) It is the intent of the Legislature that all state agencies and institutions of higher education include in their agency strategic plan, a plan for increasing the use of historically underutilized businesses in purchasing and construction contracting. The State Auditor shall report to the Commission a state agency that is not complying with Section 2161.123, Government Code. In determining whether an agency is making a good faith effort to comply, the State Auditor shall consider whether the agency has adopted rules and procedures governing the agency's historically underutilized business contract awards in accordance with the Commission goals, used the Commission's list and other sources to identify historically underutilized businesses that can and are available to meet agency needs, and made marketing and outreach efforts to historically underutilized businesses.
- (i) It is the intent of the Legislature that the State Auditor shall, in cooperation with the Commission, develop procedures to periodically monitor compliance by state agencies with Section 2161.123, Government Code. If an agency is found by the state auditor not to be in compliance, the Commission shall assist the agency in regaining compliance status. However, if the agency does not achieve compliance within a twelve month period, the Legislative Budget Board may revoke purchasing authority that the commission delegated to the agency under Sections 2155.131 or 2155.133, Government Code. If the Legislative Budget Board revokes an agency's delegated purchasing authority under this subsection, the comptroller may consider that fact an emergency requiring a transfer from the agency's appropriated funds to the commission appropriated funds of an amount equal to the cost the commission will incur in performing the functions formerly delegated to the agency as determined by the Legislative Budget Board.
- (j) It is the intent of the Legislature that when determining whether a public need exists for the continuation of a state agency or its advisory committees or for the performance of the functions of the agency or its advisory committees, the Sunset Advisory Commission shall consider the extent to which the agency has complied with requirements of state law or state agency rules regarding purchasing goals and programs for historically underutilized businesses.
- (k) It is the intent of the Legislature that a political subdivision of the state that receives state funds may establish a program to increase the participation of historically underutilized,

EQUAL OPPORTUNITY PROVISIONS (Continued)

disadvantaged, minority-owned and/or women-owned businesses as contractors and/or subcontractors on contracts with the political subdivision. To the extent permissible under the United States Constitution, such governing body may develop and implement goals based on any evidence, including an independent study, for the participation of such businesses as contractors and/or subcontractors.

- (1) This section is an expression of the intent of the Legislature and does not negate a power granted by general law.

PART 10. OTHER PROVISIONS

Sec. 9-10.01. **Employee Meal Authorization.** State agencies providing institution-based services, including the Texas Department of Criminal Justice, the Texas Department of Mental Health and Mental Retardation, the Texas Youth Commission, the Texas School for the Blind and Visually Impaired, and the Texas School for the Deaf, may provide meals to employees working in institutional settings and may charge a fee at costs established by the agencies that does not exceed the direct and indirect costs of preparation.

Sec. 9-10.02. **Bank Fees and Charges.** From interest income appropriated by this Act, amounts may be used for the purpose of paying bank fees and charges as necessary.

Sec. 9-10.03. **Telecommunication Revolving Account.** All moneys paid into this account in accordance with the provisions of Chapter 2170, Government Code, are hereby appropriated and may be expended for the purposes set out in Chapter 2170, Government Code. This includes services such as planning, development of requests for information and proposals and contract negotiations. The balance in this account as of August 31, 1999, not to exceed \$18 million, is hereby reappropriated and may be expended for those same purposes.

Sec. 9-10.04. **Centralized Capitol Complex Telephone System.**

- (a) This section shall apply to state departments and agencies in the Capitol Complex area utilizing the state-owned Centralized Telephone Service of the General Services Commission.
- (b) Upon certification by the General Services Commission as to the pro rata share of the system for each using agency, a reimbursement to the General Services Commission shall be accomplished by the most efficient and expeditious procedure possible including the elimination of warrant issuance when feasible. Funds applicable to the state-owned Centralized Telephone Service shall be maintained in the Telecommunication Revolving Account but specifically identified. The Telecommunication Revolving Account shall be utilized as the depository for specific appropriations, reimbursements from using agencies, and shall be a source of funds to purchase, installment purchase, lease or otherwise acquire services, supplies, and equipment and to pay salaries, wages, and other costs directly attributable to the provisions and operations of the system.

Sec. 9-10.05. **Use of TEX-AN Network.** The Legislature instructs state agencies to use the Texas Agency Network (TEX-AN) to the fullest extent possible. Funds appropriated by this Act to state agencies as defined in Section 2151.002, Government Code, shall not be expended for the acquisition of intercity telecommunications facilities or services until a determination has been made by the Telecommunications Planning Group (TPG) that the agency requirement for intercity

OTHER PROVISIONS

(Continued)

telecommunications cannot be met by the TEX-AN network. State agencies shall not enter into or renew contracts with carriers or other providers of intercity telecommunications facilities or services without obtaining waivers from the TPG certifying that the requested intercity telecommunications requirements cannot be provided at reasonable costs on the TEX-AN network. Waiver requests will be evaluated by the TPG based on cost-effectiveness to the entire State of Texas. Waivers may be granted for specific periods of time and automatically expire upon the expiration date unless an extension is approved by the TPG. Contracts for services obtained under waiver shall not extend beyond the expiration date of the waiver.

Sec. 9-10.06. **Unlisted Telephone Numbers Prohibited.** None of the funds appropriated by this Act shall be expended by any state agency, official or employee thereof, for the payment or rental or toll charges on telephones which are not listed or available from "Information Operators" at telephone exchanges. This section shall not prohibit unlisted telephone numbers used in providing access to computers, telephone system control centers, long distance networks, elevator control systems, and other tone controlled devices where restricted access to the telephone number is justified for security or other purposes, or in narcotic undercover operations or in detection of illegal sales of securities under the Securities Act.

Sec. 9-10.07. **In-kind Gas Program.** Under the authority of Subchapter H, Chapter 31 of the Natural Resources Code, the General Land Office shall review and approve any contract entered into by a state agency for the acquisition of an annual average of 100 MCF per day or more of natural gas used to meet its energy requirements. If the General Land Office is able to substitute a contract using in-kind royalty gas from state-owned lands or other gas for the contract under which the agency acquires or proposes to acquire its natural gas supplies, the General Land Office shall, on a monthly basis, inform the Comptroller of the savings being achieved by an agency and the Comptroller shall reduce the agency's utility appropriation authority accordingly. The Comptroller shall transfer the savings realized into the General Revenue Fund.

Sec. 9-10.08. **Retention of Mineral Rights.** No state lands shall be sold unless the mineral rights are retained by the state, unless impractical.

Sec. 9-10.09. **Access to State Lands.** The state shall require egress and ingress on all state lands when any state lands are sold, providing additional state lands in the immediate area an easement to a public thoroughfare.

Sec. 9-10.10. **State Property Use for State Purposes Required.** No person shall entrust state property to any state official or employee or to anyone else to be used for other than state purposes.

Sec. 9-10.11. **Use of Capital Trust Fund.** It is the intent of the Legislature that the Capital Trust Fund not be available or used by any agency for the purpose of paying salaries. In the event of conflict with other appropriation acts, any matching benefit charges for salaries paid from the fund must be treated as a charge against the appropriation for individual projects in order to conserve the integrity of cash received from each land sale.

Sec. 9-10.12. **Space Occupied by Agencies.**

- (a) Agencies funded through appropriations made by this Act, other than those in Articles III and IV, (but including the Texas Higher Education Coordinating Board, Texas Education Agency, Telecommunications Infrastructure Fund Board, Teacher Retirement System of Texas, State Board for Educator Certification, and the Office of Court Administration of the Texas Judicial System), shall make every effort to achieve and maintain a ratio of not more

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(Continued)

than one-hundred-fifty-three (153) square feet per employee, in conformance with Section 2165.104, Government Code, at each agency site for usable office space as defined by the General Services Commission, in both state-owned and leased buildings, insofar as possible without sacrifice of critical public or client services. For purposes of this provision, sites at which 15 or fewer employees are located may be excluded. This provision shall not be construed so as to require an agency to relocate to another facility or site if such relocation would result in an increased building rental cost. Each agency shall report its progress toward achieving this objective in its annual financial report required by this Act.

- (b) This section shall not apply to the Texas Higher Education Coordinating Board until the Board's lease for office space in effect on the effective date of this Act expires or is terminated.

Sec. 9-10.13. **Review of Agency Rules.**

- (a) None of the funds appropriated by this Act shall be expended by a state agency for the purpose of developing, promulgating, or adopting rules unless the state agency reviews and considers for readoption, in accordance with this section, each rule adopted by that agency pursuant to Chapter 2001, Government Code (Administrative Procedure Act). Such reviews shall include, at a minimum, an assessment by the agency as to whether the reason for adopting or readopting the rule continues to exist. Such reviews shall be conducted in accordance with the Administrative Procedure Act in the same manner as for a proposed rule and shall be conducted no later than four years after a rule becomes final and no later than four years after a rule is readopted by an agency.
- (b) Prior to review of a rule, an agency shall file with the Texas Register a notice of intention to review. The notice of intention shall include the Texas Administrative Code citation to the rule to be reviewed. For the purpose of this section, publication in the Texas Register of the Texas Administrative Code citation to the rule to be reviewed shall satisfy the statutory requirement that the text of the rule be published in the Texas Register.
- (c) For a rule which became final prior to September 1, 1997, a review described by this section shall be conducted no later than August 31, 2001.

Sec. 9-10.14. **Limitation on Expenditures for Leased Space.** Funds appropriated by this Act may not be expended for leased office or building space for operations that are moved into newly constructed, purchased, expanded, or renovated state owned facilities funded from Texas Public Finance Authority Revenue Bonds.

Sec. 9-10.15. **Consolidation of Lease Space to State Owned Space.** In the event that an agency moves from leased space to state owned space subsequent to the passage of this Act, the Comptroller shall reduce funds appropriated to each affected agency, by an amount equal to the lease costs that would have been incurred for the remainder of the biennium had the agency remained in leased space, less the costs the agency incurs for moving and the agency's tenant finish-out expenses as defined by the General Services Commission. Required moving and tenant finish-out costs incurred by an agency moving from leased space to state owned space in fiscal year 1999 may be paid from 2000 year appropriations and costs incurred in 2000 may be paid from 2001 year appropriations as necessary to facilitate the move. The Comptroller shall transfer to the General Services Commission from the special funds or accounts, including dedicated General Revenue Fund accounts, of those agencies that move into a state facility funded from Texas Public Finance Authority revenue bond proceeds, each agency's proportional share of the lease payments made for the facility as determined by the General

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Services Commission. The Comptroller shall reduce the amounts appropriated to the General Services Commission out of the General Revenue Fund for Lease Payments, in the appropriate article of this Act, by an amount equal to the sum of the transfers from the special funds or accounts. The funds so transferred are hereby appropriated to the General Services Commission for the purposes of making lease payments to the Texas Public Finance Authority.

Sec. 9-10.16. Transfer of Master Lease Purchase Program Payments.

- (a) The Texas Public Finance Authority is hereby authorized to transfer each agency's share of administrative fees and lease payments pursuant to the Master Lease Purchase Program from each agency's appropriations made elsewhere in this Act to the Texas Public Finance Authority Master Lease Purchase Program cost of issuance funds and the State Lease Fund Account, respectively. Transfers for administrative fees and lease payments may not be made earlier than 15 days prior to the date that debt service payment is required. The Texas Public Finance Authority may transfer funds necessary for Master Lease Purchase Program debt service payments from the State Lease Fund Account to the Texas Public Finance Authority Master Lease Purchase Program interest and sinking funds.
- (b) The Comptroller shall assist the Texas Public Finance Authority in the transfer of lease payments. State agencies participating in the Master Lease Purchase Program shall cooperate in the timely transfer of lease payments to the Texas Public Finance Authority. The absence of specific Master Lease payment appropriations, identified in an agency's capital budget, does not release an agency from lease payment obligations.

Sec. 9-10.17. Alternative Fuels Finance Payments: Transfer and Appropriation. The Texas Public Finance Authority (TPFA) may transfer each agency's pro rata share of administrative fees and finance payments pursuant to the alternative fuels finance program from each agency's appropriations made elsewhere in this Act to the TPFA alternative fuels finance program cost of issuance fund and the State Lease Fund Account, respectively. Transfers for administrative fees and lease payments may not be made earlier than 15 days prior to the date that debt service payment is required. The TPFA may transfer funds necessary for alternative fuels finance program debt service payments from the State Lease Fund Account to the TPFA alternative fuels finance program interest and sinking fund and is hereby appropriated all necessary amounts from those funds for payment of debt service associated with the program. Any reimbursements or payments received by the TPFA for services rendered under agreement with any political subdivision of the state participating in the alternative fuels finance program are hereby appropriated to the TPFA for debt service payments associated with the program.

Sec. 9-10.18. State Owned Housing - Recover Housing Costs.

- (a) It is the intent of the Legislature that the General Land Office (GLO) shall contract for the determination of the fair market rental value of all housing provided to state employees by agencies required to report their housing. The GLO shall provide, to each state agency providing housing to employees, information regarding the fair market rental values. The GLO shall also provide the statewide total and agency totals to the Legislative Budget Board, the Governor's Office of Budget and Planning, and the Comptroller of Public Accounts.
- (b) Each agency required to report employee housing to the General Land Office shall recover, from persons first employed by the agency before September 1, 1999, at least 20 percent of the established fair market rental value of its housing. Each agency required to report employee housing to the General Land Office shall recover, from persons first employed by

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the agency after August 31, 1999, at least 100 percent of the established fair market rental value of its housing. The recovered funds are hereby appropriated to the agency for its use.

- (c) Agencies that provide employee housing shall report to the Legislature annually all employees who receive agency housing, the fair market rental value of housing supplied by the agency, and the amount of revenue recovered to meet the mandated goals.
- (d) Unless specifically authorized by this Act, a person may not receive housing below the rate established by this section. Individuals authorized by this Act for reduced rate housing are absolutely critical to safe operation of a facility.
- (e) Funds may not be expended to construct additional employee housing.
- (f) When existing facilities are no longer suitable for employee housing, the agency should determine the feasibility of converting the use of housing or razing the structure before making repairs or updates.
- (g) A person may not receive additional compensation in lieu of state-owned housing.

Sec. 9-10.19. **Cleaning Allowances.** A cleaning allowance is an allotment to help defray the cost of maintaining a uniform for certain state employees. A cleaning allowance authorized elsewhere in this Act for specific positions of employment is an authorization for the specific position and shall not transfer with an employee if that employee transfers to a position for which such reimbursement is not authorized. Cleaning and clothing allowances shall not be considered compensation for purposes of retirement contribution determination.

Sec. 9-10.20. **Coordinated Technology Training.** It is the intent of the Legislature that all state agencies maximize the utilization of appropriated funds used for information resource technology training by using the Department of Information Resources' technology training contracts if such offerings meet agency requirements and are cost-competitive.

PART 11. OTHER APPROPRIATIONS AND ADJUSTMENTS

Sec. 9-11.01. **Capital Construction Project: Legislative Services Office Building.** Any unexpended balances, as of August 31, 1999, remaining in the appropriation made by Section 184, Article IX, of House Bill 1, Seventy-fifth Legislature, Regular Session, 1997, are reappropriated for the original purposes for the biennium beginning September 1, 1999.

Sec. 9-11.02. **Capital Construction Project: State Insurance Building.** Any unexpended balances, as of August 31, 1999, remaining in the appropriation made by Section 185, Article IX, of House Bill 1, Seventy-fifth Legislature, Regular Session, 1997, are hereby reappropriated for the original purposes for the biennium beginning September 1, 1999. As provided by Section 185, Article IX, of House Bill 1, Seventy-fifth Legislative Session, 1997, the Texas Public Finance Authority may issue revenue bonds or other revenue obligations to finance the renovation of the old State Board of Insurance Building at an estimated project cost of \$8,600,000. As provided by Article 601d, Vernon's Texas Civil Statutes, in recognition that cost estimates are not final at the time that the project is authorized for financing and that bonds may be issued to fund associated costs, including reasonably required reserve funds, capitalized interest, administrative costs of the authority and issuing expenses, the principal amount of any issuance of bond for this purpose may be in an amount not to exceed one and one-half the amount of the expected cost for the project being financed. From the proceeds of the

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issuance and sale of such bonds or obligations, such amounts as may be necessary to fund the associated costs of issuance are hereby appropriated to the Texas Public Finance Authority for the fiscal biennium beginning September 1, 1999. From the remaining proceeds of the issuance and sale of such bonds, such amounts as may be necessary to fund any costs relating to the renovation of the old State Board of Insurance Building are hereby appropriated to the General Services Commission for the fiscal biennium beginning September 1, 1999. The capital project authorized in this section is not subject to limitations on capital budget expenditures included elsewhere in this Act.

Sec. 9-11.03. **Capital Construction Project: John H. Reagan Building.** Any unexpended balances, as of August 31, 1999, remaining in the appropriation made by Section 186, Article IX, of House Bill 1, Seventy-fifth Legislature, Regular Session, 1997, are hereby reappropriated for the original purposes for the biennium beginning September 1, 1999. The Texas Public Finance Authority may issue revenue bonds or other revenue obligations to finance the renovation of the John H. Reagan Building, at an estimated project cost of \$25,463,400. As provided by Article 601d, Vernon's Texas Civil Statutes, in recognition that cost estimates are not final at the time that the project is authorized for financing and that bonds may be issued to fund associated costs, including reasonably required reserve funds, capitalized interest, administrative costs of the Authority and issuing expenses, the principal amount of any issuance of bonds for this purpose may be in an amount not to exceed one and one-half the amount of the expected cost for the project being financed. From the proceeds of the issuance and sale of such bonds or obligations, such amounts as may be necessary to fund the associated costs of issuance are hereby appropriated to the Texas Public Finance Authority for the fiscal biennium beginning September 1, 1999. From the remaining proceeds of the issuance and sale of such bonds or obligations, such amounts as may be necessary to fund any costs relating to the renovation of the John H. Reagan Building are hereby appropriated to the General Services Commission for the fiscal biennium beginning September 1, 1999. The capital project authorized in this section is not subject to the limitations on capital budget expenditures included elsewhere in this Act. In addition to the appropriations made above, the amount of \$2,640,050 is appropriated in Article I of this Act for payment to the Texas Public Finance Authority for debt service payments on the revenue bonds or other obligations as authorized by this section.

Sec. 9-11.04. **Year 2000 Conversion.**

- (a) It is the intent of the Legislature that all state agencies and institutions of higher education adequately address and resolve the technology problems associated with conversion to the Year 2000. It is also the Legislature's intent that any funds appropriated for this purpose be expended exclusively on efforts to resolve the Year 2000 problem. Each state agency and institution of higher education shall be primarily responsible for its own information systems but will coordinate its efforts through the Department of Information Resources. Each state agency and institution of higher education shall cooperate with the Department of Information Resources in all respects concerning the Year 2000 problem, and shall provide to the Department, as often as may be required and in the format required by the Department, any and all information required by the Department pertaining to any aspect of the Year 2000 problem. While most state agencies and institutions of higher education have indicated an ability to address this issue within their current level of funding, several have requested additional funding specifically for this issue. Agencies requesting additional funds may be allocated amounts for the purpose of resolving the Year 2000 conversion problem.
- (b) The amount appropriated under this section shall be deposited into a new agency number created within the Uniform Statewide Accounting System (USAS) by the Comptroller of Public Accounts for the sole purpose of receiving, controlling, recording and disbursing Year 2000 project expenditures. The Legislative Budget Board, Governor, and Department of

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Information Resources shall:

- (1) determine and advise the Comptroller of the timing, frequency and amount of funds to be transferred to each agency; and
 - (2) establish procedures for the approval of use of these funds which shall be distributed to agencies on a cost reimbursement basis only after approval by the Legislative Budget Board and Governor.
- (c) The Comptroller shall maintain an accounting process that records the amounts approved under this section and subsequently transferred to agencies, at a summary level by object of expense code at the Year 2000 project agency level in USAS. It is the intent of the Legislature that the extraordinary level of expenditures incurred by agencies in resolving the Year 2000 conversion problems not be reflected in the operating budgets and expenditures of each operating agency. The Comptroller's process must address these concerns in order to furnish the Legislature with accurate centralized records of all expenditures reimbursed through the Year 2000 Project agency as well as a report of the amounts and types of expenditures incurred by each operating agency participating in the use of such appropriations. Year-to-year and biennium-to-biennium comparative data for individual agencies should be maintained and reported in a manner designed to exclude the Year 2000 appropriations made herein.
- (d) Any unexpended balances, as of August 31, 1999, remaining in the appropriation made by Section 188, Article IX, of House Bill 1, Seventy-fifth Legislature, Regular Session, 1997, are hereby reappropriated for the purposes provided by this section, for the biennium beginning September 1, 1999.
- (e) Any agency that requires funding in addition to the amounts appropriated by this Act to resolve the Year 2000 conversion problem may apply to the Department for access to any available unobligated funds appropriated by Subsection (d). The Legislative Budget Board and Governor's Budget Office shall consider recommendations from the Department of Information Resources and may approve such allocations and advise the Department of Information Resources and the Comptroller of the available unobligated funds which may be utilized for these agencies.

Sec. 9-11.05. Contingency Appropriation and Limitation on Expenditures: Temporary Assistance for Needy Families (TANF) Federal Funds.

- (a) For the biennium beginning September 1, 1999, in addition to sums appropriated elsewhere by this Act, the balance of all available TANF federal funds allocated to the State is hereby appropriated for the purposes for which the TANF block grant is made. In the event of an expenditure requirement related to fiscal penalties, caseload growth, or other program needs (such as meeting work participation targets or increasing the capacity to serve TANF recipients facing time-limited benefits), the funds appropriated by this provision may be expended and/or transferred as appropriate by the Single State Agency for TANF, subject to the written prior approval of the Governor and the Legislative Budget Board.
- (b) The expenditure of TANF federal funds is hereby limited to those amounts specifically identified and appropriated by this Act, unless specific written approval is made by the Legislative Budget Board and the Office of the Governor.

OTHER APPROPRIATIONS AND ADJUSTMENTS

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Sec. 9-11.06. Appropriation for Salary Increase.

- (a) As used in Subsections (a) through (h) of this section, 'salary increase' shall mean a \$100 per month increase in salary.
- (b) The Comptroller of Public Accounts is hereby appropriated an amount estimated to be \$233,770,000 out of the General Revenue Fund, an amount estimated to be \$21,090,000 out of General Revenue-Dedicated Funds, and an amount estimated to be \$144,530,000 out of other funds and accounts to fund a salary increase described in Subsection (a) of this section for employees of state agencies, including employees of the Higher Education Coordinating Board, as such a salary increase is reflected in the salary rates authorized elsewhere in this Act.
- (c)
 - (1) The Comptroller of Public Accounts is hereby appropriated an amount not to exceed \$110,140,000 out of the General Revenue Fund and an amount estimated to be \$36,320,000 out of General Revenue-Dedicated Funds, and an amount estimated to be \$10,760,000 out of other funds and accounts to provide for a salary increase as described in Subsection (a) of this section for the non-faculty employees of institutions of higher education.
 - (2) This section authorizes an increase in salary for county extension agents.
 - (3) This section shall not apply to employees of public/junior colleges.
- (d) This section shall not apply to employees classified under Schedule C of the Act, statewide elected officials, justices and judges of the appellate and district courts, district attorneys, criminal district attorneys, county attorneys performing the duties of a district attorney, or the compensatory per diem of board or commission members.
- (e) Any increase in employee benefits costs associated with the salary increase in Subsection (b) of this section shall be paid only out of the appropriations made in Subsection (b); and any increase in employee benefits costs associated with the salary increase in Subsection (c) of this section shall be paid only out of the appropriations made in Subsection (c). Provisions requiring salaries and benefits to be proportional to the source of funds shall apply to all sums allocated under this section. Each agency and institution shall pay the increase in compensation from funds held in the state treasury and from local funds in the same proportion as the employee's regular compensation.
- (f) Funds appropriated by Subsection (c) of this section shall be apportioned between the various institutions of higher education based on the salaries of non-faculty employees of institutions of higher education and contract employees described in this subsection. This apportionment shall be determined by the Comptroller. Included within the General Revenue Fund appropriation in Subsection (c) are funds to be apportioned among the Department of Criminal Justice, the Texas Youth Commission and the Department of Mental Health and Retardation on a per capita basis to be applied to the salary increase for employees of the University of Texas Medical Branch at Galveston, the Texas Tech University Health Sciences Center, and the University of Texas Health Sciences Center at Houston whose salaries are paid out of interagency contracts receipts from contracts for the provision of inmate health care or psychiatric services.
- (g) The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to

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administer this section. Funds appropriated by Subsections (b) and (c) shall be allocated to each agency, and to the appropriate employee benefit appropriation items, in accordance with such rules and regulations and may be used only for the purpose of providing a salary increase and paying associated employee benefit costs.

- (h) This section does not authorize an increase of classified salary rates or exempt salary rates above the rates listed in this Act or to individuals moved from Schedule C to Schedule B on September 1, 1999.
- (i) **Faculty Salary Increase.** After and contingent upon the Comptroller providing notice to the Legislative Budget Board regarding, a finding of fact by the Comptroller of Public Accounts (at the time of certification or after certification of this Act) that sufficient revenue is estimated to be available from the General Revenue Fund and special funds, and following approval by the Legislative Budget Board, there is hereby appropriated to the Comptroller of Public Accounts such amounts as may be available from the General Revenue Fund to finance a salary increase of not more than 3 percent, including related fringe benefit costs, for a the fiscal year beginning September 1, 2000, for faculty of institutions of higher education. Allocation of such General Revenue amounts as may be available shall be made as approved by the Legislative Budget Board. It is the intent of the Legislature that each institution utilizing the additional General Revenue funds shall finance the overall faculty salary increase proportionally from both General Revenue and any other available funding sources in the same manner prescribed by the Sec. 9-6.11, "Salaries to be Proportional by Fund" provision in this Act, or other applicable law. Such salary increases shall be awarded in accordance with the special provisions of Article III of this Act relating to merit requirements for faculty of higher education, and shall not be awarded on an across-the-board percentage basis. The funds available under this provision shall be utilized only for the purpose of salary increases. All general academic, technical colleges, services agencies, and medically related components shall be included, however community/junior colleges are not included in this provision.

Sec. 9-11.07. Contingency Appropriation for Senate Bill 1685.

- (a) Contingent upon the enactment of Senate Bill 1685, or similar legislation, related to the advertising and promotion of the Texas Oyster Industry, by the Seventy-sixth Legislature, Regular Session, the Texas Department of Health (TDH) is hereby appropriated \$610,000 for the 2000-2001 biennium, out of the Oyster Sales General Revenue Dedicated Account No. 5022. The TDH shall enter into an interagency contract with the Texas Department of Agriculture (TDA) for the amount appropriated herein to carry out the provisions of the Act. The TDA may only use these amounts for oyster industry advertising and promotion efforts and to provide information, education, and/or training to wholesalers, retailers, and consumers on the safe and proper handling of oysters. The TDA may transfer such amounts to the "Go Texan" Partner Program Fund Account to be used for the same purposes.
- (b) The Texas Department of Health is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items.

Sec. 9-11.08. Contingency for Senate Bill 355.

- (a) Contingent upon enactment of Senate Bill 355, or passage of similar legislation resulting from the Sunset review of the Texas Incentive and Productivity Commission, the following provisions apply:

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(Continued)

- (1) Net annual savings/revenues realized from employee suggestions implemented by a state agency under the provisions of Government Code, Chapter 2108, Subchapter B and rules promulgated by the Texas Incentive and Productivity Commission must be allocated by the state agency as follows:
 - (A) An amount not to exceed 10 percent of the annual net savings/revenues attributable to a suggestion implemented by a state agency shall be available for the payment of employee awards and shall be subject to the provisions of Government Code, Chapter 2108.
 - (B) An amount, equal to at least 90 percent of the original annual net savings/revenues from amounts appropriated to the agency in the fiscal year(s) in which the savings/revenues were realized, shall be retained by the agency for agency operations.
- (2) The net savings/revenues realized in a fiscal year are to be considered encumbered by the agency implementing the suggestion for purposes of carrying out the allocation of funds listed in Subsection (a)(1) above. The amounts encumbered shall be accounted for in the following manner:
 - (A) Upon implementation of an approved employee suggestion, an agency shall establish a Savings Measurement Account for that suggestion and transfer into this account the share of the projected net first-year savings/revenues attributable to the suggestion during that fiscal year. All balances in these accounts as of August 31, 1999, are reappropriated for fiscal year 2000, and all balances in these accounts as of August 31, 2000 are reappropriated for fiscal year 2001. At the beginning of the following fiscal year, the agency shall transfer into the Savings Measurement Account the remaining share of the projected net savings/revenues for each approved suggestion.
 - (B) At the conclusion of the implementation period for an approved and implemented suggestion, the amount of net savings/revenues certified by the agency and the Texas Incentive and Productivity Commission shall be compared with the balance in the Savings Measurement Account for that employee suggestion. If the certified net savings/revenue amount exceeds the balances in the Savings Measurement Account, the additional funds shall be derived from that agency's current year appropriations. If the certified net savings/revenue amount is less than the balance in the Savings Measurement Account, the excess amount deposited is available to the agency for expenditures in the current fiscal year for the same purposes as the original source appropriations. The certified net savings/revenues shall be transferred in accordance with Subsection (a)(1) above.
- (3) In the event that agencies identify statutory, federal or constitutional restrictions on the use of funds in accounts where savings/revenues were generated by approved employee suggestions, agencies are authorized to substitute other funding and appropriation sources for the 10 percent employee award portion under Subsection (a)(1). All such substitutions for statutory, federal, or constitutional restrictions shall be reviewed and approved by the Comptroller's Office before the substitution of 10 percent from other funds is adopted.

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(Continued)

- (4) Any remaining balances in the Savings Measurement Accounts established for agencies implementing Productivity Bonus Plans in fiscal year 1999 are hereby reappropriated to the implementing agencies for use during fiscal year 2000 for employee awards and agency expenditures.
- (b) The Comptroller and the Texas Incentive and Productivity Commission shall jointly develop rules for the above provisions of this section.

Sec. 9-11.09. **Contingency for Senate Bill 666.** Contingent on passage of Senate Bill 666, or similar legislation relating to the phase-out of work exemptions for certain Temporary Assistance for Needy Families (TANF) clients, by the Seventy-sixth Legislature, Regular Session, the Texas Department of Human Services shall transfer an amount of not more than a biennial total of \$22,000,000 in TANF Federal Funds to the Texas Workforce Commission. The Texas Workforce Commission shall use funding transferred from the Texas Department of Human Services to pay for employment services and child care services associated with implementation of that Act.

Sec. 9-11.10. **Contingency Appropriation for House Bill 1652.**

- (a) Contingent upon the enactment of House Bill 1652 or similar legislation relating to an education and prevention program for Hepatitis C, the Texas Department of Health is hereby appropriated \$609,667 for fiscal year 2000 and \$2,433,296 for fiscal year 2001 out of the General Revenue Fund. The appropriation made above is contingent upon savings to the General Revenue Fund in an amount equal to or greater than \$609,667 for fiscal year 2000 and \$2,433,296 in fiscal year 2001 from the enactment of House Bill 1895, CG 7, or Senate Bill 1248, HHS 15, *Challenging the Status Quo: Toward Smaller, Smarter Government*. In the event that actual and/or projected revenue savings are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller to reduce the appropriation authority provided by this rider to be within the savings expected to be available.
- (b) The Texas Department of Health is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items.

Sec. 9-11.11. **Contingency Appropriation for House Bill 1799.**

- (a) Contingent upon the enactment of House Bill 1799 or similar legislation that would create the State Owned Multi-Categorical Teaching Hospital Account, \$56,693,300 is appropriated in fiscal year 2000 to the Department of Health from the State Owned Multi-Categorical Teaching Hospital Account. All unexpended balances at the close of the fiscal year ending August 31, 2000 are hereby reappropriated for the fiscal year beginning September 1, 2000.
- (b) In the event of the enactment of House Bill 1799 or similar legislation that would deposit unclaimed lottery proceeds to the Foundation School Program, the Foundation School Program is hereby reduced by \$56,693,300 and this amount of General Revenue is hereby appropriated to the Texas Department of Health in fiscal year 2000 for distribution as described below. All unexpended balances at the close of the fiscal year ending August 31, 2000 are hereby reappropriated for the fiscal year beginning September 1, 2000.
- (c) Contingent upon the enactment of House Bill 1799 or similar legislation as described in either Subsection (a) or (b) above, the University of Texas Medical Branch at Galveston (UTMB) shall be eligible to receive reimbursement for health care services provided to

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certain patients if:

- (1) the patient receiving health care services from UTMB qualifies as an indigent patient under established institutional guidelines; and
- (2) UTMB has not received and will not receive reimbursement for these health care services from any third party source, including the county or hospital district in which the patient resides.

Upon presentation of information supporting UTMB's claim, the Texas Department of Health shall reimburse UTMB for the health care services provided to indigent patients from the State Owned Multi-Categorical Teaching Hospital Account ("Account") established for this purpose. The reimbursement from the Account shall be based upon a rate equal to 90 percent of the Medicaid fee-for-service rate in effect at the time of service for UTMB. This reimbursement shall be made monthly upon the submission to the Department of Health of a statement of the care provided by UTMB to indigent patients. UTMB is authorized to charge patients co-payment amounts for providing health care services; however, UTMB is not entitled to reimbursement from the Account for these co-payment amounts. The Office of the State Auditor will periodically review the statements submitted to the Department of Health for reimbursement from the Account, as well as the disbursements therefrom, to verify compliance with the criteria established herein.

- (d) The Texas Department of Health is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items.

* Sec. 9-11.12. **Contingency Appropriation for House Bill 2155.** Contingent upon enactment of House Bill 2155, or similar legislation by the Seventy-sixth Legislature relating to the creation of the Texas State Board of Mechanical Industries, all appropriations and FTEs appropriated to the Texas State Board of Plumbing Examiners shall be transferred to the new Texas State Board of Mechanical Industries. In addition, the Texas Department of Licensing and Regulation shall transfer \$1,115,379 and 20 FTEs in fiscal year 2000 and \$1,115,379 and 20 FTEs in fiscal year 2001 to the Texas State Board of Mechanical Industries. The Texas Natural Resource Conservation Commission shall also transfer \$161,599 and 3 FTEs in fiscal year 2000 and \$161,599 and 3 FTEs in fiscal year 2001 to the Texas State Board of Mechanical Industries. Other direct and indirect costs appropriated elsewhere in this Act are estimated to be \$621,641 in fiscal year 2000 and \$642,750 in fiscal year 2001. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the Board of Mechanical Industries cover, at a minimum, the cost of appropriations made above as well as other direct and indirect costs listed above. In addition, the Texas State Board of Mechanical Industries is hereby appropriated \$195,251 in fiscal year 2000 and \$173,171 in fiscal year 2001 out of general revenue, for the purpose of moving and rent expenses, contingent upon the Texas State Board of Mechanical Industries assessing fees sufficient to generate a like amount above the amounts attributable to the transferred industries' revenue collection in the Comptroller's Biennial Revenue Estimate, as determined by the Comptroller. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided by this provision to be within the amount of fee revenue expected to be available.

Sec. 9-11.13. **Contingency for House Bill 2208.** The following provisions are contingent upon enactment of House Bill 2208, or similar legislation relating to the authority of the Office of the Attorney General to contract with children's advocacy centers, by the Seventy-sixth Legislature, Regular Session:

* *See Veto Proclamation.*

OTHER APPROPRIATIONS AND ADJUSTMENTS
(Continued)

- (1) Effective September 1, 1999, the appropriations and FTEs shown below shall be transferred to the Office of the Attorney General, for use in Strategy C.1.3., Victims Assistance.

	2000	2001	FTEs
<u>Department of Protective and Regulatory Services</u>			
A.1.3. Strategy:			
CPS PURCHASED SERVICES	\$ 2,499,003	\$ 2,499,003	1.0
Method of Financing:			
Compensation to Victims of Crime			
Account No. 469	\$ 1,374,758	\$ 1,374,758	
Federal Funds	1,124,245	1,124,245	

- (2) Accordingly, the “Number of Full-time Equivalent Positions (FTE)” figure indicated in Article II for the Department of Protective and Regulatory Services is hereby decreased by 1.0 for fiscal year 2000 and by 1.0 for fiscal year 2001, and the “Number of Full-time Equivalent Positions (FTE)” figure indicated in Article I for the Office of the Attorney General is hereby increased by 1.0 for fiscal year 2000 and by 1.0 for fiscal year 2001.

Sec. 9-11.14. Contingency Appropriation for House Bill 3125.

- (a) Contingent upon the enactment of House Bill 3125 or similar legislation by the Seventy-sixth Legislature, Regular Session, notwithstanding any other provision of this Act, no state and/or federal funds appropriated under this Act may be expended for the purchase of vehicles except as provided by Section 2171.105, Government Code.
- (b) The Comptroller of Public Accounts is hereby directed to implement this legislation no later than October 15, 1999; and to reduce the appropriations made by this Act under Articles I-X of this Act by the following amounts:
- (1) General Revenue Fund by \$8,669,000 in fiscal year 2000;
 - (2) General Revenue-Dedicated Funds by \$1,670,000 in fiscal year 2000; and,
 - (3) Other Funds by \$10,241,000 in fiscal year 2000.
- (c) At least thirty days prior to making any reductions to agency appropriations pursuant to this provision, the Comptroller of Public Accounts is hereby directed to notify the Governor and the Legislative Budget Board. The reduction may not be applied to appropriations from the following funds:
- (1) constitutionally dedicated funds;
 - (2) funds pledged to the payment of bonds or notes;
 - (3) funds appropriated for the Employees and Teacher Retirement Systems, Higher Education Employees Group Health Insurance, the Foundation School Program, Baylor College of Medicine, and the Baylor College of Dentistry;
 - (4) amounts necessary for salaries out of appropriations in Article IV of this Act; or
 - (5) to items designated as “estimated” appropriations.

OTHER APPROPRIATIONS AND ADJUSTMENTS (Continued)

- (d) Contingent upon the enactment of House Bill 3125, or similar legislation by the Seventy-sixth Legislature, Regular Session, the General Services Commission is hereby appropriated \$29,288 for fiscal year 2000 and \$23,288 for fiscal year 2001 out of the General Revenue Fund for the purpose of implementing that Act. The General Services Commission is hereby authorized to transfer the appropriation pursuant to this provision to the appropriate strategy items listed elsewhere in this Act. Also contingent on the enactment of House Bill 3125, or similar legislation, the "Number of Full-time Equivalent Positions (FTE)" figure indicated elsewhere in this Act for the General Services Commission is hereby increased by 1 for fiscal year 2000 and by 1 for fiscal year 2001.

Sec. 9-11.15. **Contingent Appropriation for Senate Bill 4.** The appropriations made to the Texas Education Agency Foundation School Program under "A.2.2. Strategy: PUBLIC EDUCATION, School Finance/Teacher Compensation and Benefits/Property Tax Relief" in Article III of this Act are contingent on the passage of Senate Bill 4 or similar legislation enacted into law as a result of the actions of the Seventy-sixth Legislature, Regular Session, 1999. In the event that Senate Bill 4 or similar legislation fails to be enacted into law the appropriations made to the Texas Education Agency Foundation School Program under "A.2.2. Strategy: PUBLIC EDUCATION, School Finance/Teacher Compensation and Benefits/Property Tax Relief" in Article III of this Act lapse to the General Revenue Fund and the guaranteed yield in Texas Education Agency rider #50 of this Act is reduced to \$21.00.

In the event that Senate Bill 4 or similar legislation is enacted into law the Comptroller may adjust the guaranteed yield for each fiscal year, description, purpose, or allocation of the appropriation made to the Texas Education Agency Foundation School Program under "A.2.2. Strategy: PUBLIC EDUCATION, School Finance/Teacher Compensation and Benefits/Property Tax Relief" in Article III of this Act as provided by Senate Bill 4 or the similar legislation.

In the event that Senate Bill 4 or similar legislation is enacted into law and makes specific appropriations to the Texas Education Agency and/or Foundation School Program the Comptroller shall reduce "A.2.2. Strategy: PUBLIC EDUCATION, School Finance/Teacher Compensation and Benefits/Property Tax Relief" by a similar amount.

In the event that Senate Bill 4 or similar legislation is enacted into law and the costs of which and/or any specific appropriations made to the Texas Education Agency and/or Foundation School Program are less than the amount appropriated under this Act by "A.2.2. Strategy: PUBLIC EDUCATION, School Finance/Teacher Compensation and Benefits/Property Tax Relief" the difference in the two amounts shall be deposited into an account to be allocated as directed by the Legislative Budget Board and the Governor.

Sec. 9-11.16. **Contingency Appropriation Reduction.**

- (a) In the event that it is necessary, in order to certify the appropriations in this Act, the Comptroller of Public Accounts is authorized to reduce appropriations made by this Act out of the General Revenue Fund and general revenue dedicated accounts by the percentage that would be sufficient to certify that appropriations are within available revenue, while excluding appropriations exempted from the application of this section.
- (b) The reductions required by this section do not apply to constitutionally dedicated funds; funds pledged for the payment of debt service; funds appropriated to the Employee Retirement System, the Teacher Retirement Fund, and the Foundation School Program; amounts necessary for salaries out of appropriations made in Article IV of this Act;

OTHER APPROPRIATIONS AND ADJUSTMENTS
(Continued)

appropriations made in Article XII of this Act; or to items of appropriations designated “estimated”.

- (c) The Comptroller shall determine the amounts to be reduced pursuant to this section no later than October 1, 1999 and shall inform the Legislative Budget Board and the Governor as to the reduction amounts for each agency. The Comptroller shall also inform each state agency and institution affected by the reductions no later than October 15, 1999.

Sec. 9-11.17. **Contingency for Senate Bill 1574.**

- (a) The following provisions are contingent upon enactment of Senate Bill 1574, or similar legislation which transfers administration of the Communities in Schools program from the Workforce Commission to the Department of Protective and Regulatory Services, by the Seventy-sixth Legislature, Regular Session.
- (b) Effective September 1, 1999, the appropriations and FTEs shown below shall be transferred to the Department of Protective and Regulatory Services, for use in Strategy A.1.6., At-Risk Prevention Services:

	<u>2000</u>	<u>2001</u>	FTEs
<u>Texas Workforce Commission</u>			
A.2.3. Strategy:			
PROGRAM MONITORING AND COMPLIANCE	\$ 128,492	\$ 128,492	1.0
Method of Financing:			
Interagency Contract	\$ 128,492	\$ 128,492	
B.2.3. Strategy:			
COMMUNITIES IN SCHOOLS	\$ 17,360,657	\$ 17,360,657	13.0
Method of Financing:			
Interagency Contract	\$ 12,520,657	\$ 12,520,657	
TANF Federal Funds	4,000,000	4,000,000	
Other Federal Funds	840,000	840,000	
D. Goal: INDIRECT ADMINISTRATION	\$ 139,716	\$ 139,716	2.0
Method of Financing:			
Interagency Contract	\$ 139,716	\$ 139,716	

- (c) Accordingly, the “Number of Full-time Equivalent Positions (FTE)” figure indicated in Article VII for the Workforce Commission is hereby decreased by 16.0 for fiscal year 2000 and by 16.0 for fiscal year 2001, and the “Number of Full-time Equivalent Positions (FTE)” figure indicated in Article II for the Department of Protective and Regulatory Services is hereby increased by 16.0 for fiscal year 2000 and by 16.0 for fiscal year 2001.
- (d) Performance measures contained in Workforce Commission Strategy B.2.3., Communities in Schools, shall be applicable to the Department of Protective and Regulatory Services.
- (e) All contract proceeds for the Communities in Schools Program are hereby appropriated to

OTHER APPROPRIATIONS AND ADJUSTMENTS (Continued)

the Department of Protective and Regulatory Services.

Sec. 9-11.18. Contract Workforce.

- (a) In this section, contract workers are defined as independent contractors, temporary workers supplied by staffing companies, contract company workers, and consultants.
- (b) No appropriated funds may be expended for payment of a contract workforce in which the contract is executed, amended, or renewed on or after September 1, 1999, until an agency or institution:
 - (1) develops comprehensive policies and procedures for its contract workforce;
 - (2) examines the legal and personnel issues related to the use of a contract workforce;
 - (3) conducts a cost benefit analysis of its current contract workforce prior to hiring additional contract workers or amending or renewing existing contracts; and
 - (4) documents why and how the use of contract workers fit into agency staffing strategies, including consideration of agency mission, goals and objectives, existing and future employee skills needed, compensation costs, productivity, nature of services to be provided, and workload.

Agencies shall consult the *Best Practices and Guidelines for Effectively Using a Contract Workforce* (SAO Report No. 99-326) when planning for and implementing the requirements of this section.

- (c) No later than December 1 of each year of the biennium, an agency shall file with the Legislative Budget Board, the Governor's Office, and the State Auditor a report on the agency's use of a contract workforce in the preceding fiscal year. The report shall be prepared according to a format prescribed by the State Auditor and shall include:
 - (1) a description of how the agency has complied with provisions of this rider; and
 - (2) an evaluation of the work performed by a contract workforce, including an assessment of whether work was completed on time, within budget, and according to contract specifications.
- (d) The State Auditor shall notify the Comptroller and the Legislative Audit Committee if an agency fails to comply with this section.
- (e) The State Auditor may require an agency to provide interim reports or additional information as necessary to ensure compliance with this section. The State Auditor shall review each agency's report and follow up based on identified risks.

Sec. 9-11.19. Contingency for House Bill 2202. Contingent upon the passage of House Bill 2202, or similar legislation by the Seventy-sixth Legislature, Regular Session, providing for grants to support school-based health centers, out of funds appropriated above to the Department of Health for school health services, \$150,000 for fiscal year 2000 and \$150,000 for fiscal year 2001 may be expended for grants to start-up or stabilize school-based health centers.

OTHER APPROPRIATIONS AND ADJUSTMENTS

(Continued)

* Sec. 9-11.20. **Contingency Appropriation for Senate Bill 29.** Contingent upon the enactment of Senate Bill 29, or similar legislation by the Seventy-sixth Legislature, Regular Session, relating to the civil commitment of sexually violent predators, the following amounts are appropriated from the General Revenue Fund:

- (1) Judiciary Section, Comptroller's Department (Prison Prosecution Unit): \$563,933 in fiscal year 2000 and \$727,650 in fiscal year 2001; and
- (2) Department of Health (Council on Sex Offender Treatment): \$616,408 in fiscal year 2000 and \$797,545 in fiscal year 2001.

The agencies listed above are authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items within their respective agencies, and may expend such sums from this appropriation for capital budget items.

Out of funds appropriated to the respective agencies in Article V of this Act, the Department of Public Safety and the Department of Criminal Justice shall also implement the provisions of Senate Bill 29.

Sec. 9-11.21. **Contingency Appropriation for House Bill 1248.** Contingent upon the enactment of House Bill 1248, or similar legislation by the Seventy-sixth Legislature, Regular Session, relating to the practice of architecture, landscape architecture and interior design, such sums as are collected pursuant to that Act, not to exceed \$181,531 in fiscal year 2000 and \$163,520 in fiscal year 2001, are appropriated to the Texas Board of Architectural Examiners for implementation of the provisions of the Act, including continuing education programs and scholarships for architectural examination applicants.

* *See Senate Bill 365 for similar legislation.*

**RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(General Revenue)**

	For the Years Ending August 31, 2000	August 31, 2001
Appropriation for a \$100 per Month Salary Increase	\$ 171,954,916	\$ 171,955,084
Telecommunication Revolving Account	18,000,000	
Contingency Appropriation: House Bill 3125	-8,639,712	23,288
Contingency Appropriation: House Bill 1799	56,693,300	
Activity Based Costing Project	250,000	
Contingency Appropriation: Senate Bill 29	1,180,341	1,525,195
Contingency Appropriation: House Bill 1248	<u>181,531</u>	<u>163,520</u>
TOTAL, ARTICLE IX - General Provisions	<u>\$ 239,620,376</u>	<u>\$ 173,667,087</u>

**RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(General Revenue - Dedicated)**

	For the Years Ending August 31, 2000	August 31, 2001
Appropriation for a \$100 per Month Salary Increase	\$ 28,664,992	\$ 28,665,008
Contingency Appropriation: House Bill 3125	-1,670,000	
Contingency Appropriation: Senate Bill 1685	<u>610,000</u>	
TOTAL, ARTICLE IX - General Provisions	<u>\$ 27,604,992</u>	<u>\$ 28,665,008</u>

**RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(Federal Funds)**

	For the Years Ending August 31, 2000	August 31, 2001
Appropriation for a \$100 per Month Salary Increase	<u>\$ 45,456,100</u>	<u>\$ 45,456,165</u>
TOTAL, ARTICLE IX - General Provisions	<u>\$ 45,456,100</u>	<u>\$ 45,456,165</u>

**RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(Other Funds)**

	For the Years Ending August 31, 2000	August 31, 2001
Appropriation for a \$100 per Month Salary Increase	\$ 32,188,848	\$ 32,188,887
Contingency Appropriation: House Bill 3125	<u>-10,241,000</u>	
TOTAL, ARTICLE IX - General Provisions	<u><u>\$ 21,947,848</u></u>	<u><u>\$ 32,188,887</u></u>

**RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(All Funds)**

	For the Years Ending August 31, 2000	August 31, 2001
Appropriation for a \$100 per Month Salary Increase	\$ 278,264,856	\$ 278,265,144
Telecommunication Revolving Account	18,000,000	
Contingency Appropriation: House Bill 3125	-20,550,712	23,288
Contingency Appropriation: Senate Bill 1685	610,000	
Contingency Appropriation: House Bill 1799	56,693,300	
Activity Based Costing Project	250,000	
Contingency Appropriation: Senate Bill 29	1,180,341	1,525,195
Contingency Appropriation: House Bill 1248	<u>181,531</u>	<u>163,520</u>
TOTAL, ARTICLE IX - General Provisions	<u><u>\$ 334,629,316</u></u>	<u><u>\$ 279,977,147</u></u>
Number of Full-time Equivalent Positions (FTE)	1.0	1.0

ARTICLE X

THE LEGISLATURE

Section 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated legislative agencies.

SENATE

	For the Years Ending	
	August 31, 2000	August 31, 2001
Out of the General Revenue Fund:		
1. Senate	\$ 28,131,446	\$ 29,096,979
Grand Total, SENATE	\$ 28,131,446	\$ 29,096,979
1. Purposes for Which Appropriations May Be Expended. Funds appropriated to the Senate may be expended for constitutionally authorized annual salaries for Members of the Senate and the Lieutenant Governor, per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, films, membership dues in any national or regional organization of legislative leaders, capital outlay, building repair and remodeling and other expenses of the Senate including interim expenses of the Seventy-sixth and Seventy-seventh Legislatures as may be authorized by law or by resolution.		
2. Appropriation of Fees: Rental Space in Capitol Building. The Texas Senate shall charge a reasonable fee for rental of space within the State Capitol Building under its control and authority. Any fees so collected are hereby appropriated for use by the Texas Senate during the biennium covered by this Act.		
3. Unexpended Balances. Any unexpended balances as of August 31, 1999, in the appropriations made by the Legislature to the Senate are hereby reappropriated to the Senate for the same purposes for the biennium beginning September 1, 1999.		

HOUSE OF REPRESENTATIVES

	For the Years Ending	
	August 31, 2000	August 31, 2001
Out of the General Revenue Fund:		
1. House of Representatives	\$ 28,281,445	\$ 29,646,979
Grand Total, HOUSE OF REPRESENTATIVES	\$ 28,281,445	\$ 29,646,979

HOUSE OF REPRESENTATIVES (Continued)

1. **Purposes For Which Appropriations May Be Expended.** Funds appropriated to the House of Representatives may be expended for Constitutionally authorized annual salaries for Members of the House of Representatives, per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, films, membership dues in the National Conference of State Legislatures and in any national or regional organization of legislative leaders, capital outlay, building repair and remodeling, and other expenses for the House of Representatives, including interim expenses of the Seventy-sixth and Seventy-seventh Legislatures as may be authorized by law or resolution.
2. **Appropriation of Fees: Rental Space in Capitol Building.** The House of Representatives shall charge a reasonable fee for rental of space within the State Capitol Building under its control and authority. Any fees so collected are hereby appropriated for use by the House during the biennium covered by this Act.
3. **Unexpended Balances.** Any unexpended balances as of August 31, 1999, in the appropriations made by the Legislature to the House of Representatives are hereby reappropriated to the House of Representatives for the same purposes for the biennium beginning September 1, 1999.
4. **Transfer Authority.** Transfers in an amount determined by the Speaker of the House may be made from these balances for the purpose of funding Senate Bill No. 54, Acts of the Sixty-fifth Legislature, Regular Session.
5. **Unexpended Balances: Senate and House of Representatives.** Any unexpended balances as of August 31, 2000 in the appropriations made hereinabove to the Senate and the House of Representatives are hereby reappropriated for the same purposes for the fiscal year beginning September 1, 2000.
6. **Transfer and Appropriation to Legislative Budget Board Account.** Out of the appropriations made in this Article for the Senate or the House of Representatives, there may be transferred, upon the written approval of the Lieutenant Governor or the Speaker of the House, to an appropriations account for the Legislative Budget Board such sums as may be deemed necessary but not to exceed an aggregate of \$4,355,580 for the fiscal year beginning September 1, 1999 and \$4,355,580 for the fiscal year beginning September 1, 2000, for maintaining the operations of said Legislative Budget Board. In addition to amounts identified elsewhere in this provision, there is hereby appropriated to the Legislative Budget Board out of the General Revenue Fund a total of \$5,417,280 for the 2000-01 biennium in lieu of prior and other interagency transfers, including: \$300,000 in each fiscal year from the Texas Education Agency for school finance modeling, \$250,000 in each fiscal year from the Texas Education Agency for the Educational Economic Policy Center, \$340,000 in each fiscal year from the Texas Department of Human Services for the Federal Funds Analysis Unit, \$408,700 each fiscal year from the Texas Legislative Council for computer support, and \$1,409,940 each fiscal year for other necessary expenses in carrying out the provisions of Chapter 322, Government Code.

Such sums as may be transferred to an account for the Legislative Budget Board shall be budgeted by said board pursuant to Chapter 322, Government Code, and any amendments thereto including the payment of travel expenses and registration fees incurred by Budget Board members or members of its staff in attending meetings on problems of federal-state relations, interstate problems, problems affecting state or local governments, and meetings sponsored by the Council of State Governments or any of its affiliated organizations, and contributions incident to membership in national or regional organizations of state governments.

HOUSE OF REPRESENTATIVES
(Continued)

7. **Unexpended Balances: Legislative Budget Board.**
- a. Any unexpended balances as of August 31, 1999, in the appropriations made to the Legislative Budget Board for fiscal year 1999, are hereby reappropriated to the Legislative Budget Board for the biennium beginning September 1, 1999.
 - b. Any unexpended balances as of August 31, 2000, in the appropriations made hereinabove to the Legislative Budget Board are hereby reappropriated for the same purposes for the fiscal year beginning September 1, 2000.
8. **Transfer to Sunset Advisory Commission Account and Unexpended Balances.**
- a. Out of the appropriations made in this Article for the Senate or the House of Representatives, there may be transferred upon the written approval of the Lieutenant Governor or the Speaker of the House, to an appropriations account for the Sunset Advisory Commission such sums as may be deemed necessary but not to exceed an aggregate of \$1,492,326 for the fiscal year beginning September 1, 1999, and \$1,472,326 for the fiscal year beginning September 1, 2000, for maintaining the operations of the commission. Any unexpended balances as of August 31, 2000, in the appropriations made hereinabove to the Sunset Advisory Commission are hereby reappropriated for the same purposes for the fiscal year beginning September 1, 2000.
 - b. Any unexpended balances as of August 31, 1999, in the appropriations made to the Sunset Advisory Commission for fiscal year 1999, are hereby reappropriated to the Sunset Advisory Commission for the biennium beginning September 1, 1999.

LEGISLATIVE COUNCIL

	For the Years Ending	
	August 31, 2000	August 31, 2001
	<u> </u>	<u> </u>
Out of the General Revenue Fund:		
1. Legislative Council	\$ 37,288,671	\$ 40,242,934
Grand Total, LEGISLATIVE COUNCIL	<u>\$ 37,288,671</u>	<u>\$ 40,242,934</u>
1. Purposes for Which Appropriations May Be Expended. Funds appropriated to the Legislative Council may be expended for payment of salaries and other necessary expenses to carry out the council's statutory powers and duties (including those powers and duties provided by Chapters 301, 323, and 326, Government Code; Sections 531.203, 762.011, and 2053.004, Government Code; and Section 276.008, Election Code) and to carry out responsibilities assigned pursuant to legislative resolution. Out of the funds appropriated above \$1,000,000 each shall be transferred annually to the Senate and the House of Representatives for printing costs and \$50,000 each shall be transferred annually for moving expenses.		
2. Unexpended Balances. Any unexpended balances as of August 31, 1999 previously appropriated to the Legislative Council are hereby reappropriated to the Council for the biennium beginning September 1, 1999 for the purposes stated in rider provision 1 of the preceding appropriation to the Council.		

LEGISLATIVE COUNCIL
(Continued)

Any unexpended balances in the appropriations account of the Legislative Council as of August 31, 2000 are hereby reappropriated to the Legislative Council for the fiscal year beginning September 1, 2000.

3. **Appropriation of Fees: Charges for Information Services.** In addition to other amounts appropriated, there is appropriated to the Legislative Council for the fiscal years beginning September 1, 1999 and September 1, 2000 any amounts received as charges under Section 323.014(c), Government Code.

COMMISSION ON UNIFORM STATE LAWS

	For the Years Ending	
	August 31, 2000	August 31, 2001
Out of the General Revenue Fund:		
1. Commission on Uniform State Laws	\$ 92,600	\$ 96,275
Grand Total, COMMISSION ON UNIFORM STATE LAWS	<u>\$ 92,600</u>	<u>\$ 96,275</u>

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Commission on Uniform State Laws may be expended for payment of the contribution by the State of Texas to the National Conference of Commissioners on Uniform State Laws and for payment of other necessary expenses of the commission in carrying out provisions of Chapter 415, Acts, Fifty-second Legislature, Regular Session, 1951, as amended by Chapter 735, Acts, Sixty-fifth Legislature, Regular Session, 1977, including the printing of the commission's report and travel expenses of members of the commission to attend annual meeting of the National Conference of Commissioner's on Uniform State Laws and travel to the state capitol on commission business.
2. **Unexpended Balances.** Any unexpended balances as of August 31, 1999 in the general appropriations made for the Commission on Uniform State Laws are hereby reappropriated to the Commission on Uniform State Laws for the same purposes for the biennium beginning September 1, 1999.

Any unexpended balances in the appropriations of the Commission on Uniform State Laws as of August 31, 2000 are hereby reappropriated to the Commission on Uniform State Laws for the fiscal year beginning September 1, 2000.

STATE AUDITOR'S OFFICE

	For the Years Ending	
	August 31, 2000	August 31, 2001
1. State Auditor	\$ 12,964,257	\$ 12,964,257
Grand Total, STATE AUDITOR'S OFFICE	\$ 12,964,257	\$ 12,964,257
Method of Financing:		
General Revenue Fund	\$ 11,564,257	\$ 11,564,257
Appropriated Receipts	1,400,000	1,400,000
Total, Method of Financing	\$ 12,964,257	\$ 12,964,257

1. **Legislative Audit Committee Direction.** The sums appropriated for the State Auditor's Office are to be expended under the direction and subject to the control of the Legislative Audit Committee in furtherance of the functions assigned by statute to the department.
2. **Fund Transfers for Reimbursement of Services.** In order that the General Revenue Fund may be reimbursed for the expenses of services performed for state agencies, departments, commissions, boards or divisions supported from funds other than the General Revenue Fund, it is hereby provided that the State Auditor may request the Comptroller to make transfers from unappropriated balances of such other funds to the General Revenue Fund. It is further provided that transfers may be requested from federal grant funds on deposit within special appropriations maintained by the state agencies, departments, commissions, boards or divisions in the General Revenue Fund. The amounts so requested for all transfers are to be based on actual costs of such services, and transfer of the requested amounts shall be made by the Comptroller with the approval of the Legislative Audit Committee.

Where work is performed for state agencies, departments, commissions, boards or divisions that do not carry their funds in the State Treasury, it is hereby provided that reimbursement shall be made out of such funds to the General Revenue Fund for actual cost of such work, and billings therefor shall be made by the State Auditor with the approval of the Legislative Audit Committee.

3. **Appropriation of Reimbursements for Audit Activities.** Reimbursements received for work performed in fulfillment of federal audit requirements are hereby reappropriated to the State Auditor's Office.
- Reimbursements for costs incurred for work performed in auditing or oversight type reviews, as directed by the Legislature, of entities other than those defined as state departments and institutions of higher education, are hereby appropriated to the State Auditor's Office. (Examples of this type of work include reviews of river authorities, special districts, regional or metropolitan transit authorities, or other political subdivisions created by acts of the Legislature.)
4. **Unexpended Balances.** Any unexpended balance as of August 31, 1999, in amounts previously appropriated to the State Auditor from the General Revenue Fund is hereby reappropriated to the State Auditor for the same purposes for the biennium beginning September 1, 1999.

STATE AUDITOR'S OFFICE
(Continued)

Any unexpended balance remaining in the appropriations of the State Auditor as of August 31, 2000, is hereby reappropriated to the State Auditor for the same purposes for the fiscal year beginning September 1, 2000.

5. **Notification of State Auditor Reports.** The State Auditor shall provide copies of audit reports to the respective affected agencies and to the Legislative Audit Committee prior to public release of any audit or audit information.

LEGISLATIVE REFERENCE LIBRARY

	For the Years Ending	
	August 31, 2000	August 31, 2001
1. Legislative Reference Library	\$ 1,095,674	\$ 1,205,863
Grand Total, LEGISLATIVE REFERENCE LIBRARY	<u>\$ 1,095,674</u>	<u>\$ 1,205,863</u>
Method of Financing:		
General Revenue Fund	\$ 1,070,674	\$ 1,175,863
Appropriated Receipts	<u>25,000</u>	<u>30,000</u>
Total, Method of Financing	<u>\$ 1,095,674</u>	<u>\$ 1,205,863</u>

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Legislative Reference Library may be expended for library administration and services, for salaries and wages, travel, consumable supplies and materials, current and recurring operating expenses, capital outlay, books and periodicals, and other necessary expenses to be expended under the direction of the Legislative Library Board.
2. **Unexpended Balances.** Any unexpended balances as of August 31, 1999, in the general appropriations made to the Legislative Reference Library are hereby reappropriated for the biennium beginning September 1, 1999.

Any unexpended balances as of August 31, 2000, in the appropriations made hereinabove to the Legislative Reference Library are hereby reappropriated for the same purposes for the fiscal year beginning September 1, 2000.

Sec. 2. (a) A provision of the General Provisions of this Act that restricts or limits the use or transfer of appropriated funds, or that imposes a duty or places a limitation or condition precedent on a state agency, applies to entities and appropriations under this Article only to the extent that the provision by its terms specifically and expressly applies to those entities or appropriations. A general reference to "funds appropriated by this Act" or similar words is not specific and express application for purposes of this section.

(b) Amounts appropriated under this Article may be transferred among entities covered by this Article in accordance with Chapter 326, Government Code.

Retirement and Group Insurance

	For the Years Ending	
	August 31, 2000	August 31, 2001
Out of the General Revenue Fund, estimated:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Provide an actuarially sound level of funding as defined by state law. Estimated	\$ 4,303,333	\$ 4,410,916
A.1.2. Strategy: GROUP INSURANCE Provide a basic health care and life insurance program for general state employees. Estimated	<u>\$ 8,145,065</u>	<u>\$ 8,586,147</u>
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	<u>\$ 12,448,398</u>	<u>\$ 12,997,063</u>
Grand Total, RETIREMENT AND GROUP INSURANCE	<u><u>\$ 12,448,398</u></u>	<u><u>\$ 12,997,063</u></u>

Social Security and Benefit Replacement Pay

	For the Years Ending	
	August 31, 2000	August 31, 2001
Out of the General Revenue Fund, estimated:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT To provide funding to the Comptroller of Public Accounts for Social Security Contributions and Benefit Replacement Pay.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER Provide an employer match for Social Security contributions. Estimated	\$ 5,299,094	\$ 5,431,571
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Provide Benefit Replacement Pay to eligible employees. Estimated	<u>\$ 1,053,578</u>	<u>\$ 958,669</u>
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	<u>\$ 6,352,672</u>	<u>\$ 6,390,240</u>
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	<u><u>\$ 6,352,672</u></u>	<u><u>\$ 6,390,240</u></u>

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(General Revenue)

	For the Years Ending	
	August 31, 2000	August 31, 2001
Senate	\$ 28,131,446	\$ 29,096,979
House of Representatives	28,281,445	29,646,979
Legislative Budget Board	2,708,640	2,708,640
Legislative Council	37,288,671	40,242,934
Uniform State Laws, Commission on	92,600	96,275
State Auditor's Office	11,564,257	11,564,257
Legislative Reference Library	<u>1,070,674</u>	<u>1,175,863</u>
Subtotal, Legislature	<u>\$ 109,137,733</u>	<u>\$ 114,531,927</u>
Retirement and Group Insurance	12,448,398	12,997,063
Social Security and Benefit Replacement Pay	<u>6,352,672</u>	<u>6,390,240</u>
TOTAL, ARTICLE X - The Legislature	<u><u>\$ 127,938,803</u></u>	<u><u>\$ 133,919,230</u></u>

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(Other Funds)

	For the Years Ending	
	August 31, 2000	August 31, 2001
Senate	\$	\$
House of Representatives		
Legislative Budget Board		
Legislative Council		
Uniform State Laws, Commission on		
State Auditor's Office	1,400,000	1,400,000
Legislative Reference Library	<u>25,000</u>	<u>30,000</u>
Subtotal, Legislature	<u>\$ 1,425,000</u>	<u>\$ 1,430,000</u>
Retirement and Group Insurance		
Social Security and Benefit Replacement Pay		
Less Interagency Contracts	<u>\$</u>	<u>\$</u>
TOTAL, ARTICLE X - The Legislature	<u><u>\$ 1,425,000</u></u>	<u><u>\$ 1,430,000</u></u>

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(All Funds)

	For the Years Ending	
	August 31, 2000	August 31, 2001
Senate	\$ 28,131,446	\$ 29,096,979
House of Representatives	28,281,445	29,646,979
Legislative Budget Board	2,708,640	2,708,640
Legislative Council	37,288,671	40,242,934
Uniform State Laws, Commission on	92,600	96,275
State Auditor's Office	12,964,257	12,964,257
Legislative Reference Library	<u>1,095,674</u>	<u>1,205,863</u>
Subtotal, Legislature	<u>\$ 110,562,733</u>	<u>\$ 115,961,927</u>
Retirement and Group Insurance	12,448,398	12,997,063
Social Security and Benefit Replacement Pay	<u>6,352,672</u>	<u>6,390,240</u>
Less Interagency Contracts	<u>\$</u>	<u>\$</u>
TOTAL, ARTICLE X - The Legislature	<u><u>\$ 129,363,803</u></u>	<u><u>\$ 135,349,230</u></u>
Number of Full-time Equivalent Positions (FTE)	0.0	0.0

ARTICLE XII

TOBACCO SETTLEMENT RECEIPTS

From receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release and other funding sources, and pursuant to House Bills 1676 and 1945, the Seventy-sixth Legislature, 1999, hereby makes the following appropriations for the 2000–01 biennium:

TOBACCO SETTLEMENT RECEIPTS

	For the Years Ending	
	August 31, 2000	August 31, 2001
A. Goal: TOBACCO SETTLEMENT RECEIPTS		
Appropriations Made from Tobacco Settlement Receipts		
A.1.1. Strategy: UT M.D. ANDERSON CENTER The University of Texas M.D. Anderson Cancer Center	\$ 10,000,000	\$ U.B.
A.1.2. Strategy: BAYLOR UNIV MEDICAL CENTER-DALLAS Texas Higher Education Coordinating Board for a Contract With Baylor University Medical Center in Dallas, Pursuant to HB 1945	\$ 1,000,000	\$ U.B.
A.1.3. Strategy: CHILDREN'S HEALTH INS PROGRAM Children's Health Insurance Program	\$ 35,800,000	\$ 143,800,000 & U.B.
A.1.4. Strategy: MHMR NEW GENERATION MEDICATION Department of Mental Health and Mental Retardation New Generation Medications	\$ 30,500,000	\$ U.B.
A.1.5. Strategy: TEXAS HEALTHY KIDS FUND/CORP Texas Healthy Kids Fund/Corporation	\$ 3,000,000	\$ U.B.
A.1.6. Strategy: TDH ADDL DEPNDNT CHILDREN WAIVERS Department of Health-Additional Medically Dependent Children's Program Waiver Services	\$ 4,700,000	\$ 4,300,000 & U.B.
A.1.7. Strategy: TDH CHILDREN'S IMMUNIZATIONS Department of Health-Immunizations for Children	\$ 5,400,000	\$ U.B.
A.1.8. Strategy: TDH NEWBORN HEARING SCREENING Department of Health Newborn Hearing Screening	\$ 1,700,000	\$ 1,100,000 & U.B.
A.1.9. Strategy: COMMUNITY MH CHILDREN'S SVCS Department of Mental Health and Mental Retardation - Mental Health Community Services for Children.	\$ 7,500,000	\$ 7,500,000 & U.B.
A.1.10. Strategy: RESPITE CARE Interagency Council on Early Childhood Intervention - Respite Care	\$ 1,000,000	\$ U.B.

TOBACCO SETTLEMENT RECEIPTS
(Continued)

A.1.11. Strategy: DHS - CLASS WAIVER Department of Human Services - CLASS Waiver	\$ 12,000,000	\$ U.B.
A.1.12. Strategy: MHMR HOME/COMMUNITY SERVICES WAIVER Department of Mental Health and Mental Retardation - Home and Community-based Services Waiver.	\$ 4,800,000	\$ U.B.
A.1.13. Strategy: CHEST HOSPITALS Department of Health	<u>\$ 35,000,000</u>	<u>\$ U.B.</u>
Total, Goal A: TOBACCO SETTLEMENT RECEIPTS	<u>\$ 152,400,000</u>	<u>\$ 156,700,000</u>

B. Goal: PERMANENT FUNDS
Appropriations made from Permanent Funds Created by HB 1676 and HB 1945

B.1.1. Strategy: MINORITY HEALTH RESEARCH/ EDUCATION Out of the Permanent Fund for Minority Health Research and Education to Texas Higher Education Coordinating Board. Estimated.	\$ 1,250,000	\$ 1,250,000
B.1.2. Strategy: TOBACCO EDUCATION AND ENFORCEMENT Out of the Permanent Fund for Tobacco Education and Enforcement to the Texas Department of Health. Estimated.	\$ 10,000,000	\$ 10,000,000
B.1.3. Strategy: CHILDREN & PUBLIC HEALTH Out of the Permanent Fund for Children and Public Health to the Texas Department of Health. Estimated.	\$ 5,000,000	\$ 5,000,000
B.1.4. Strategy: EMS AND TRAUMA CARE Out of the Permanent Fund for Emergency Medical Services and Trauma Care to the Texas Department of Health. Estimated.	\$ 5,000,000	\$ 5,000,000
B.1.5. Strategy: RURAL HEALTH FACILITY CAPITAL Out of the Permanent Fund for Rural Health Facility Capital Improvement to the Center for Rural Health Initiatives. Estimated.	\$ 2,500,000	\$ 2,500,000
B.1.6. Strategy: SMALL URBAN HOSPITALS Out of the Community Hospital Capital Improvement Fund to the Texas Department of Health. Estimated.	\$ 1,250,000	\$ 1,250,000
B.1.7. Strategy: HLTH-RELATED HIGHER ED INSTITUTIONS Out of the Permanent Health Fund for Higher Education to the Health- related Institutions of Higher Education listed as recipients of the fund. Estimated.	\$ 17,500,000	\$ 17,500,000
B.1.8. Strategy: NURSING, ALLIED HLTH FUND Out of the Permanent Fund for Higher Education Nursing, Allied Health and Other Health-related Programs to the Texas Higher Education Coordinating Board. Estimated.	<u>\$ 2,250,000</u>	<u>\$ 2,250,000</u>
Total, Goal B: PERMANENT FUNDS	<u>\$ 44,750,000</u>	<u>\$ 44,750,000</u>

C. Goal: ENDOWMENT FUNDS-HIGHER EDUCATION
Appropriations to the Following Institutions of Higher Education from Endowment Funds Established for the Following Institutions of Higher Education

TOBACCO SETTLEMENT RECEIPTS
(Continued)

C.1.1. Strategy: UTHSC - SAN ANTONIO The University of Texas Health Science Center at San Antonio. Estimated.	\$	10,000,000	\$	10,000,000
C.1.2. Strategy: UTMDA CANCER CENTER The University of Texas M.D. Anderson Cancer Center. Estimated.	\$	5,000,000	\$	5,000,000
C.1.3. Strategy: UTSWMC - DALLAS The University of Texas Southwestern Medical Center at Dallas. Estimated.	\$	2,500,000	\$	2,500,000
C.1.4. Strategy: UT MED BRANCH - GALVESTON The University of Texas Medical Branch at Galveston. Estimated.	\$	1,250,000	\$	1,250,000
C.1.5. Strategy: UTHSC - HOUSTON The University of Texas Health Science Center at Houston. Estimated.	\$	1,250,000	\$	1,250,000
C.1.6. Strategy: UTHC - TYLER The University of Texas Health Center at Tyler. Estimated.	\$	1,250,000	\$	1,250,000
C.1.7. Strategy: UT - EL PASO The University of Texas at El Paso. Estimated.	\$	1,250,000	\$	1,250,000
C.1.8. Strategy: TAMUS HEALTH SCIENCE CENTER Texas A&M University System Health Science Center. Estimated.	\$	1,250,000	\$	1,250,000
C.1.9. Strategy: UNT HEALTH SCIENCE CENTER-FT WORTH The University of North Texas Health Science Center at Fort Worth. Estimated.	\$	1,250,000	\$	1,250,000
C.1.10. Strategy: TTUHSC (EL PASO) Texas Tech University Health Sciences Center (El Paso). Estimated.	\$	1,250,000	\$	1,250,000
C.1.11. Strategy: TTUHSC - (OTHER THAN EL PASO) Texas Tech University Health Sciences Center (Other Than El Paso). Estimated.	\$	1,250,000	\$	1,250,000
C.1.12. Strategy: BAYLOR COLLEGE OF MEDICINE Texas Higher Education Coordinating Board for the Baylor College of Medicine. Estimated.	\$	1,250,000	\$	1,250,000
C.1.13. Strategy: LOWER RIO GRANDE VAL RAHC Out of the Permanent Endowment Fund Created for the Lower Rio Grande Valley Regional Academic Health Center Endowment to the Lower Rio Grande Valley Regional Academic Health Center. Estimated.	\$	<u>1,000,000</u>	\$	<u>1,000,000</u>
Total, Goal C: ENDOWMENT FUNDS-HIGHER EDUCATION	\$	<u>29,750,000</u>	\$	<u>29,750,000</u>
Grand Total, TOBACCO SETTLEMENT RECEIPTS	\$	<u><u>226,900,000</u></u>	\$	<u><u>231,200,000</u></u>

TOBACCO SETTLEMENT RECEIPTS
(Continued)

Method of Financing:		
General Revenue - Dedicated - Earnings from Tobacco Settlement Receipt Funds	\$ 74,500,000	\$ 74,500,000
General Revenue - Dedicated - Tobacco Settlement Receipts	<u>152,400,000</u>	<u>156,700,000</u>
Total, Method of Financing	<u><u>\$ 226,900,000</u></u>	<u><u>\$ 231,200,000</u></u>

1. **Informational Listing - Tobacco Settlement Receipts.** Appropriations made above in Goal A are made from tobacco settlement receipts; appropriations made above in Goal B are from earnings from funds established by House Bill 1676 and House Bill 1945; appropriations made in Goal C are from earnings from funds established by House Bill 1945. The following is an informational listing of the distribution of tobacco settlement receipts authorized by the Seventy-sixth Legislature, and does not make appropriations.

	For the Years Ending	
	August 31, 2000	August 31, 2001
TOBACCO SETTLEMENT RECEIPTS		
Permanent Health Fund for Higher Education	\$ 350,000,000	\$ U.B.
Permanent Fund for Children and Public Health	\$ 100,000,000	\$ U.B.
Permanent Fund For Tobacco Education and Enforcement	\$ 200,000,000	\$ U.B.
Children’s Health Insurance Program	\$ 35,800,000	\$ 143,800,000 & U.B.
The University of Texas Health Science Center at San Antonio Endowment	\$ 200,000,000	\$ U.B.
Permanent Fund for Emergency Medical Services and Trauma Care	\$ 100,000,000	\$ U.B.
Permanent Fund for Rural Health Facility Capital Improvement (Rural Hospital Infrastructure)	\$ 50,000,000	\$ U.B.
The University of Texas M.D. Anderson Cancer Center Endowment	\$ 100,000,000	\$ U.B.
The University of Texas M.D. Anderson Cancer Center	\$ 10,000,000	U.B.
Texas Tech University Health Sciences Center (Border Health Institute - El Paso)	\$ 25,000,000	\$ U.B.
The University of Texas Southwestern Medical Center at Dallas Endowment	\$ 50,000,000	\$ U.B.
Texas Tech University Health Sciences Center Endowment (Other Than El Paso)	\$ 25,000,000	\$ U.B.

TOBACCO SETTLEMENT RECEIPTS
(Continued)

The University of Texas Medical Branch at Galveston Endowment	\$	25,000,000	\$	U.B.
The University of Texas Health Science Center at Houston Endowment	\$	25,000,000	\$	U.B.
The University of Texas Health Science Center at Tyler Endowment	\$	25,000,000	\$	U.B.
Texas A&M University Health Science Center Endowment	\$	25,000,000	\$	U.B.
University of North Texas Health Science Center at Fort Worth Endowment	\$	25,000,000	\$	U.B.
Lower Rio Grande Valley Regional Academic Health Center	\$	20,000,000	\$	U.B.
University of Texas -El Paso Border Health	\$	25,000,000	\$	U.B.
Baylor College of Medicine	\$	25,000,000	\$	U.B.
Permanent Fund For Higher Education Nursing, Allied Health and Other Health Related Programs	\$	45,000,000	\$	U.B.
Permanent Fund for Minority Health Research and Education	\$	25,000,000	\$	U.B.
Community Hospital Capital Improvement Fund (Small Urban Hospitals)	\$	25,000,000	\$	U.B.
Texas Association of School Boards Risk Management Fund (Group Health Benefits)	\$	5,000,000	\$	U.B.
Texas Municipal League Group Benefits Management Pool	\$	10,000,000	\$	U.B.
Department of Mental Health and Mental Retardation (New Generation Medication)	\$	30,500,000	\$	U.B.
Chest Hospitals	\$	35,000,000	\$	U.B.
Interagency Council on Early Childhood Intervention - Respite Care	\$	1,000,000	\$	U.B.
Department of Health - Newborn Hearing Screening	\$	1,700,000	\$	1,100,000 & U.B.
Department of Health - Immunizations	\$	5,400,000	\$	U.B.
Department of Health - Additional Medically Dependent Children’s Waiver Services	\$	4,700,000	\$	4,300,000 & U.B.
Department of Human Services - CLASS Waiver	\$	12,000,000	\$	U.B.

TOBACCO SETTLEMENT RECEIPTS
(Continued)

Department of Mental Health and Mental Retardation Home and Community Services Waiver	\$	4,800,000	\$	U.B.
Department of Mental Health and Mental Retardation Children’s Mental Health	\$	7,500,000	\$	7,500,000 & U.B.
Healthy Kids Corp	\$	3,000,000	\$	U.B.
Baylor University Medical Center at Dallas	\$	<u>1,000,000</u>	\$	<u>U.B.</u>
Grand Total,		<u>\$ 1,657,400,000</u>		<u>\$ 156,700,000</u>

2. **Estimated Appropriation - Higher Education Funds.** The estimated amounts appropriated above in Strategies B.1.1., B.1.7., B.1.8., and Goal C are out of amounts available for distribution or investment returns out of the Permanent Health Fund for Higher Education, the Permanent Fund for Higher Education Nursing, Allied Health and Other Health-Related Programs, the Permanent Fund for Minority Health Research and Education and the Permanent Funds for Health-Related Institutions. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the specified agency or institution.
3. **Estimated Appropriation.** The estimated amounts appropriated above in Strategies B.1.2., B.1.3., B.1.4., B.1.5., and B.1.6. are out of available earnings of the Permanent Fund for Tobacco Education and Enforcement, the Permanent Fund for Children and Public Health, the Permanent Fund for Rural Health Facility Capital Improvement, the Permanent Fund for Emergency Medical Services and Trauma Care, and the Community Hospital Capital Improvement Fund (Small Urban Hospitals). Available earnings in excess of the amounts estimated above are appropriated to the specified recipient of the available earnings of the fund in applicable law.
4. **Appropriation for Health Insurance Coverage for Dependent Children of Certain State Employees.** Contingent upon passage of SB 1351 or similar legislation relating to the state’s contribution for dependent children of certain state employees, a portion of funds appropriated above in Strategy A.1.3. shall be transferred to the Employees Retirement System to implement the provisions of that Act.
5. **Allocation of Funds for Children’s Health Insurance Program.** Out of the funds appropriated above, in Strategy A.1.3., Children’s Health Insurance Program pursuant to SB 445, necessary amounts are appropriated to the Health and Human Services Commission for the purpose of allocation among agencies involved in the Children’s Health Insurance Program.
6. **Contingency for House Bill 1676.** The appropriation of funds made above in Strategies B.1.2., Tobacco Education and Enforcement, B.1.3., Children and Public Health, B.1.4., EMS and Trauma Care, B.1.5., Rural Health Facility Capital, and B.1.6., Small Urban Hospitals, is hereby made contingent upon the enactment of HB 1676, or similar legislation relating to the creation of new funds and various programs relating to public health and related activities, by the Seventy-sixth Legislature, Regular Session. Funds appropriated in these items may be transferred by an agency to appropriate strategies within the agency’s bill pattern for the purpose of implementing House Bill 1676. In no event may the administrative costs to implement the provisions of the bill exceed three percent. Grants and program costs must compose at least 97 percent of the expenditures to implement the provisions of the bill. Out of the appropriation from the Permanent Fund for Tobacco Education and Enforcement, the Texas

TOBACCO SETTLEMENT RECEIPTS

(Continued)

Department of Health may reimburse members of an advisory committee related to the Permanent Fund for Tobacco Education and Enforcement if the department appoints an advisory committee.

7. **Home and Community Services Waiver.** It is the intent of the Legislature that the Department of Mental Health and Mental Retardation use \$4,800,000 in tobacco funds appropriated above and associated federal funds for the Home and Community Services (HCS) Waiver Program to serve the individuals that are not currently served in any other Medicaid waiver program and that have been on the HCS waiting list for the longest time statewide. Other Home and Community Services Waiver appropriations made in Article II of this Act may be allocated according to the department's equity formulas to serve the individuals that have been on the waiting list longest within a particular service area.
8. **Limitations.** Appropriations made in this Article are governed by the limitations and reporting requirements otherwise provided by this Act and other law.
9. **Contingency for House Bill 1748 and House Bill 3504.** The appropriation of funds made above in Item A.1.13., Chest Hospitals, is hereby made contingent upon the enactment of both House Bill 1748, relating to the construction and operations of the Texas Center for Infectious Disease, or similar legislation and House Bill 3504, relating to the long-range plan for the South Texas Hospital, or similar legislation, by the Seventy-sixth Legislature, Regular Session. Funds appropriated in that item may be transferred to the appropriate strategies in the Department of Health bill pattern, by the Department of Health for the purpose of implementing both bills. The Department of Health shall make a determination as to how the funds are to be allocated between the projects described in the two bills and provide this plan to the Legislative Budget Board and the Governor by September 1, 1999. This appropriation is also made contingent upon approval of the plan for distribution of the funds between the projects by the Legislative Budget Board and the Governor. Also contingent on the enactment of House Bill 3504, or similar legislation, the "Number of Full-time Equivalent Positions (FTE)" figure indicated for the Department of Health, Article II of this Act, is hereby decreased by 51 for fiscal year 2001.
10. **Limitation on Use of Funds.** State agencies and institutions of higher education that are appropriated funds from the receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release shall submit a budget by November 1, 1999 to the Legislative Budget Board and the Governor. This budget shall describe the purposes and amounts for which such funds will be expended by the state agency or institution of higher education. No funds described in this budget may be expended by the state agency or institution of higher education until the Legislative Budget Board and the Governor receive the budget.

**RECAPITULATION - ARTICLE XII
TOBACCO SETTLEMENT RECEIPTS
(General Revenue - Dedicated)**

	For the Years Ending August 31, 2000	August 31, 2001
Tobacco Settlement Receipts	\$ 226,900,000	\$ 231,200,000
TOTAL, ARTICLE XII - Tobacco Settlement Receipts	\$ 226,900,000	\$ 231,200,000

**RECAPITULATION - ARTICLE XII
TOBACCO SETTLEMENT RECEIPTS
(All Funds)**

	For the Years Ending August 31, 2000	August 31, 2001
Tobacco Settlement Receipts	\$ 226,900,000	\$ 231,200,000
TOTAL, ARTICLE XII - Tobacco Settlement Receipts	\$ 226,900,000	\$ 231,200,000

ARTICLE XIII. SAVINGS CLAUSE

If any section, sentence, clause or part of this Act shall for any reason be held to be invalid, such decision shall not affect the remaining portions of this Act; and it is hereby declared to be the intention of the Legislature to have passed each sentence, section, clause, or part thereof irrespective of the fact that any other sentence, section, clause or part thereof may be declared invalid.

ARTICLE XIV. EMERGENCY CLAUSE

The importance of the legislation to the people of the State of Texas and the crowded condition of the calendars in both Houses of the Legislature create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three separate days in each House be suspended, and said Rule is hereby suspended; and this Act shall take effect and be in force from and after its passage, and it is so enacted.

PROCLAMATION

BY THE

Governor of the State of Texas

TO ALL TO WHOM THESE PRESENTS SHALL COME:

House Bill 1, the General Appropriations Bill, having been duly certified by the Comptroller of Public Accounts pursuant to Article III, Section 49a of the Texas Constitution, has been presented to me for action. This bill appropriates an estimated \$98.1 billion from all fund sources which includes \$55.1 billion from the General Revenue Fund for the fiscal biennium beginning September 1, 1999.

Total appropriations, when adjusted for inflation, population growth and property tax relief, reflect an increase of 1.9 percent over the current budget. Since 1994-95, real per capita spending has grown only 3.6 percent and has also grown less than the overall growth in the state economy. Spending as a percent of personal income has declined steadily from 9.5 percent in 1994-95 to 8.5 percent for 2000-01, a level last achieved 10 years ago.

Conservative budgetary policies and a growing state economy have resulted in the strongest fiscal condition for the state in recent history. When the Seventy-sixth Legislature convened in regular session, it was presented with the opportunity and the challenge to allocate some \$5.6 billion of additional state revenue above the current general revenue spending level. Even though the available revenue amount was subsequently increased to \$6.4 billion, the total cost of various proposals and requests far exceeded this record amount of "new money." Crafting the final state budget involved careful review and consideration of competing proposals ultimately determined by setting priorities.

The proposed state budget that I submitted to the Legislature presented my key fiscal priorities and the criteria against which I would evaluate fiscal proposals:

Key Fiscal Priorities	Fiscal Criteria
<ul style="list-style-type: none">Meet Basic NeedsCut State TaxesLower School Property TaxesImprove Funding for Public SchoolsAchieve Longer-term Benefits	<ul style="list-style-type: none">Whether the benefits are broadly sharedWhether the economic health of the state is strengthenedWhether the achievement of key objectives is promotedWhether the philosophy of limited and efficient government, local control, personal responsibility, and strong families is supported

I am pleased that through the passage of House Bill 1, along with Senate Bill 4, Senate Bill 441 and other measures, these priorities are accomplished. Over the next two years, tax relief measures will save Texans \$2.1 billion, including \$1.35 billion in property tax relief; school teachers will receive a \$3,000 pay raise; public education will receive 60 percent of all new general revenue spending; and endowments created with tobacco settlement proceeds will benefit health-related services for years to come.

This responsible budget supports the largest tax cut in our state's history, funds the basic needs and priorities of our growing state, and is good for Texas. Accordingly, I apply my veto authority sparingly. My item vetoes, totaling approximately \$51.1 million, would eliminate funding included for proposed legislation that did not pass and for legislation that I vetoed. I hereby veto the following items from House Bill 1, Seventy-sixth Legislature, Regular Session, 1999, and include a statement of my objections to each of those items.

ARTICLE I - GENERAL GOVERNMENT

State Office of Risk Management

Page I-77

2. **Contingency Appropriation for Senate Bill 1590.** Contingent upon the enactment of Senate Bill 1590, or similar legislation relating to the detection, investigation and prosecution of fraud in the workers' compensation program for state employees, by the Seventy-sixth Legislature, Regular Session, the State Office of Risk Management is hereby appropriated \$430,411 for fiscal year 2000 and \$346,781 for fiscal year 2001 out of the General Revenue Fund for the purpose of implementing that Act. The State Office of Risk Management is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items listed above. Also contingent on the enactment of Senate Bill 1590, or similar legislation, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above is hereby increased by 6.0 for fiscal year 2000 and by 6.0 for fiscal year 2001.

This veto action deletes a rider that was contingent upon proposed legislation that did not pass.

Secretary of State

Page I-82

11. **Contingency Appropriation for House Bill 1699.** Contingent upon the enactment of House Bill 1699, or similar legislation relating to voter registration information, processes and procedures, by the Seventy-sixth Legislature, Regular Session, the Office of the Secretary of State is hereby appropriated \$183,072 to Strategy B.1.1., Elections Administration, for fiscal year 2000 out of the General Revenue Fund for the purpose of implementing that Act.

This veto action deletes a rider that was contingent upon proposed legislation that did not pass.

ARTICLE II – HEALTH AND HUMAN SERVICES

Department of Health

Page II-45

73. **Contingency Appropriation for Senate Bill 1533.** Contingent upon the enactment of Senate Bill 1533, or similar legislation relating to the hazardous substances law, by the Seventy-sixth Legislature, Regular Session, the Texas Department of Health is hereby appropriated \$56,153 for fiscal year 2000 and \$60,230 for fiscal year 2001 out of additional revenues collected pursuant to Senate Bill 1533 for the purpose of implementing that Act. In no event shall be amount expended out of, or transferred from, this appropriation exceed the amount of additional revenues generated pursuant to Senate Bill 1533. The additional revenues generated must be sufficient to cover the costs of the appropriation as well as any indirect costs associated with the implementation of the provisions of the bill.

This veto action deletes a rider that was contingent upon proposed legislation that did not pass.

ARTICLE III - EDUCATION

Texas Forest Service

Page III-217

5. **Contingency Appropriation for House Bill 2107.** Contingent upon the enactment of House Bill 2107, or similar legislation relating to assistance to certain volunteer fire departments and to the imposition of a tax to finance that assistance, by the 76th Legislature, Regular Session, Texas Forest Service is hereby appropriated \$375,000 for fiscal year 2000 and \$394,000 for fiscal year 2001 out of additional revenues collected pursuant to House Bill 2107 for the purpose of implementing that Act. In no event shall the amount expended out of appropriations identified by this provision exceed the amount of additional revenues generated pursuant to House Bill 2107.

House Bill 2107 was vetoed by the Governor; consequently, this veto action eliminates funding proposed for the implementation of that bill.

ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE

Department of Public Safety

Page V-54

52. **Contingency Appropriation for House Bill 2794.** Contingent upon the enactment of House Bill 2794, or similar legislation relating to the automation of the compulsory motor vehicle inspection system, by the Seventy-sixth Legislature, Regular Session, the Department of Public Safety is hereby appropriated \$22,466,004 for fiscal year 2000 and \$22,645,479 for fiscal year 2001 out of the General Revenue Fund for the purpose of implementing that Act. The Department of Public Safety is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items listed above. In no event shall the amount expended out of, or transferred from, appropriations identified by this provision exceed the amount of additional revenues generated pursuant to House Bill 2794 or similar legislation. Funds appropriated by this provision may be expended for capital budget purposes notwithstanding limitations on capital budget expenditures elsewhere in this Act.

House Bill 2794 was vetoed by the Governor; consequently, this veto action eliminates funding proposed for the implementation of that bill.

ARTICLE VI – NATURAL RESOURCES

Low-Level Radioactive Waste Disposal Authority

Page VI-15

	For the Years Ending	
	August 31, 2000	August 31, 2001
A.1.1. Strategy: ADMINISTRATIVE OVERSIGHT		\$ 3,812,044
Grand Total, LOW-LEVEL RADIOACTIVE WASTE DISPOSAL AUTHORITY		\$ 3,812,044
Other Direct and Indirect Costs Appropriated Elsewhere in this Act		\$ 152,865

This veto action eliminates funding for the second year of the biennium. The agency functions are being transferred to the Texas Natural Resource Conservation Commission. Therefore, the fiscal year 2000 appropriation is adequate to meet agency needs.

ARTICLE IX – GENERAL PROVISIONS

Page IX-83

Sec. 9-11.12. **Contingency Appropriation for House Bill 2155.** Contingent upon enactment of House Bill 2155, or similar legislation by the Seventy-sixth Legislature relating to the creation of the Texas State Board of Mechanical Industries, all appropriations and FTEs appropriated to the Texas State Board of Plumbing Examiners shall be transferred to the new Texas State Board of Mechanical Industries. In addition, the Texas Department of Licensing and Regulation shall transfer \$1,115,379 and 20 FTEs in fiscal year 2000 and \$1,115,379 and 20 FTEs in fiscal year 2001 to the Texas State Board of Mechanical Industries. The Texas Natural Resource Conservation Commission shall also transfer \$161,599 and 3 FTEs in fiscal year 2000 and \$161,599 and 3 FTEs in fiscal year 2001 to the Texas State Board of Mechanical Industries. Other direct and indirect costs appropriated elsewhere in this Act are estimated to be \$621,641 in fiscal year 2000 and \$642,750 in fiscal year 2001. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the Board of Mechanical Industries cover, at a minimum, the cost of appropriations made above as well as other direct and indirect costs listed above. In addition, the Texas State Board of Mechanical Industries is hereby appropriated \$195,251 in fiscal year 2000 and \$173,171 in fiscal year 2001 out of general revenue, for the purpose of moving and rent expenses, contingent upon the Texas State Board of Mechanical Industries assessing fees sufficient to generate a like amount above the amounts attributable to the transferred industries' revenue collection in the Comptroller's Biennial Revenue Estimate, as determined by the Comptroller. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided by this provision to be within the amount of fee revenue expected to be available.

House Bill 2155 was vetoed by the Governor; consequently, this veto action eliminates funding proposed for the implementation of that bill.

House Bill 1 was received by the Governor's Office less than ten days prior to adjournment of the Regular Session of the Seventy-sixth Legislature. I have signed House Bill 1, which shall be filed with the Secretary of State, together with this Proclamation stating my objections to individual items of appropriation therein. In accordance with Article IV, Section 14 of the Texas Constitution, individual items of appropriation objected to shall be of no force or effect. The remaining portion of the bill shall be effective according to its terms.

The Secretary of State shall take notice of this action and notify the Legislature.

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused the seal of the State to be affixed hereto at Austin, this 20th day of June, 1999.

George W. Bush
Governor of Texas

Elton Bomer
Secretary of State

EXCERPTS FROM SENATE BILL NO. 4

SECTION 1.43. (a) A portion of the amounts appropriated in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, to the Texas Education Agency is allocated as provided by this subsection, notwithstanding the provisions of H.B. No. 1:

(1) for the fiscal year ending August 31, 2000, \$1,715,000,000 is allocated to Strategy A.2.1.: Foundation School Program, and for the fiscal year ending August 31, 2001, \$1,785,000,000 is allocated to that strategy;

(2) for each fiscal year of the biennium ending August 31, 2001, \$100 million is allocated to Strategy B.1.1.: Instructional Excellence, for kindergarten and prekindergarten grant programs authorized by Section 29.155, Education Code, as added by this Act;

(3) for each fiscal year of the biennium ending August 31, 2001, \$7.5 million is allocated to Strategy B.1.1.: Instructional Excellence, for implementation of an educational component to Head Start, as authorized by Section 29.156, Education Code, as added by this Act;

(4) for each fiscal year of the biennium ending August 31, 2001, \$42.5 million in each year of the biennium is allocated to Strategy B.1.1.: Instructional Excellence, for the Basic Skills Programs for High School Students, as authorized by Section 29.086, Education Code, as added by this Act; and

(5) for the fiscal year ending August 31, 2001, the unexpended balance of an amount allocated under Subdivision (2), (3), or (4) of this subsection for the fiscal year ending August 31, 2000, is allocated for the same purpose.

(b) As provided by Section 42.2511, Education Code, as amended by this Act, the commissioner of education shall allocate transition aid for total revenue declines associated with the increase in the homestead exemption under Subsection (d), Section 1-b, Article VIII, Texas Constitution, as proposed by H.J.R. No. 4, 75th Legislature, Regular Session, 1997, in amounts estimated to be \$45 million for each fiscal year of the biennium ending August 31, 2001.

(c) For the biennium ending August 31, 2001, the commissioner of education shall distribute amounts appropriated in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, to the Texas Education Agency, in Article III of that Act, for purposes of the Instructional Facilities Allotment under Subchapter A, Chapter 46, Education Code, as amended by this Act, as follows:

(1) for the fiscal year ending August 31, 2000, the commissioner shall use \$50 million of the funds appropriated in Strategy A.2.3.: Maximizing School Facilities, to assist school districts under the provisions of Subchapter A, Chapter 46, Education Code, as amended by this Act, to issue new debt for public school facilities, and for the fiscal year ending August 31, 2001, the commissioner shall use \$50 million to assist school districts to issue new debt for public school facilities and \$50 million to assist school districts to make debt service payments on debt issued in the fiscal year ending August 31, 2000; and

(2) the commissioner shall use the remaining appropriation in Strategy A.2.3.: Maximizing School Facilities, to meet the financial obligation incurred by the state under Subchapter A, Chapter 46, Education Code, as amended by this Act, in the biennium ending August 31, 1999.

(d) The amount allocated under Rider 10 following the appropriation to the Texas Education Agency in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, is reduced from \$160 million to \$133 million, and that amount shall be distributed by the

commissioner of education in a manner consistent with the changes made by this Act in amending Subsection (b), Section 41.002, Education Code, repealing Subsection (c), Section 41.002, Education Code, and adding Section 42.2521, Education Code, relating to the compensation of school districts for property value decline.

(e) The amount specified in Rider 50 following the appropriation to the Texas Education Agency in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, as the guaranteed level per weighted student per cent of tax effort is adjusted to conform with Subchapter F, Chapter 42, Education Code, as amended by this Act.

(f) For each fiscal year of the biennium ending August 31, 2001, from amounts appropriated in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, to the Texas Education Agency, the commissioner of education may expend an amount not to exceed \$25 million in payment of the allotment provided by Section 42.158, Education Code, as added by this Act, for new instructional facilities.

(g) The Legislative Budget Board shall adjust the amounts specified in Rider 2 following the appropriation to the Texas Education Agency in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, in compliance with the changes specified by this section.

(h) The Legislative Budget Board shall adjust the amount specified as attendance credit revenues in the method of finance for amounts appropriated in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, to the Texas Education Agency to account for applicable provisions of this Act and for updated projections of those revenues.

(i) The Legislative Budget Board shall adjust performance measure targets in the appropriations in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, to the Texas Education Agency to reflect the provisions of this Act.

(j) Strategy A.2.2.: Public Education, as provided in the appropriations in Article III, H.B. No. 1, Acts of the 76th Legislature, Regular Session, 1999, to the Texas Education Agency, is repealed.

SECTION 1.44. In addition to other amounts appropriated for the fiscal biennium ending August 31, 2001, the sum of \$60 million is appropriated, for the fiscal year ending August 31, 2000, from the general revenue fund to the Texas Education Agency for purposes of the foundation school program, and the unexpended balance of that appropriation is appropriated, for the fiscal year ending August 31, 2001, from the general revenue fund to the Texas Education Agency for the same purposes.

EXCERPTS FROM HOUSE BILL NO. 3211

ARTICLE 3. APPROPRIATIONS AND PROVISIONS RELATED TO
APPROPRIATIONS

SECTION 3.01. (a) In addition to other amounts appropriated by the 76th Legislature, Regular Session, 1999, for the biennium beginning September 1, 1999, and subject to the restrictions provided under Articles II and IX, House Bill No. 1, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), specifically including Rider 38, page II-66, House Bill No. 1, the Texas Department of Human Services is appropriated \$12 million from the general revenue fund for fiscal year 2000 for reimbursement expenses related to increases in reimbursement rates for nursing homes under the medical assistance program and \$12 million from the general revenue fund for fiscal year 2001 for the same purpose. Any unexpended balance of the appropriation made by this section for fiscal year 2000 is reappropriated to the department for fiscal year 2001 for the same purpose.

(b) The Texas Department of Human Services is authorized to transfer the appropriations made by this section to the appropriate agency or the appropriate strategy item.

(c) The appropriations made by this section are contingent on the comptroller's providing of notice to the governor and the Legislative Budget Board that the comptroller has made a finding, based on a revenue estimate made before or after the adjournment sine die of the 76th Legislature, Regular Session, that sufficient revenue is estimated to be available from the general revenue fund to provide for the appropriations made by this section.

SECTION 3.02. (a) In addition to other amounts appropriated by the 76th Legislature, Regular Session, 1999, for the biennium beginning September 1, 1999, and subject to the restrictions provided under Articles II and IX, House Bill No. 1, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), the Texas Department of Human Services is appropriated \$6.6 million from the general revenue fund for fiscal year 2000 for expenses related to increases in the personal needs allowance provided under Section 32.024, Human Resources Code, for a person who receives medical assistance and is a resident of a convalescent or nursing home or related institution licensed under Chapter 242, Health and Safety Code, a personal care facility, an ICF-MR facility, or another similar long-term care facility and \$6.6 million from the general revenue fund for fiscal year 2001 for the same purpose. Any unexpended balance of the appropriation made by this section for fiscal year 2000 is reappropriated to the department for fiscal year 2001 for the same purpose.

(b) The Texas Department of Human Services is authorized to transfer the appropriations made by this section to the appropriate agency or the appropriate strategy item.

(c) The appropriations made by this section are contingent on the comptroller's providing of notice to the governor and the Legislative Budget Board that the comptroller has made a finding, based on a revenue estimate made before or after the adjournment sine die of the 76th Legislature, Regular Session, that sufficient revenue is estimated to be available from the general revenue fund to provide for the appropriations made by this section.

**GENERAL APPROPRIATIONS ACT
AS MODIFIED BY OTHER LEGISLATION
General Revenue Funds
Biennial Expenditures and Appropriations
1998-99 and 2000-01
(In Millions)**

	1998-99 <u>Expended/Budgeted</u>	2000-01 <u>Appropriated</u>	Cumulative Change ¹	
			<u>Amount</u>	<u>Percent</u>
HB 1 ²	\$ 48,872.8	\$ 55,137.1	\$ 6,264.2	12.8%
SB 4	0.0	60.0	6,324.2	12.9
SB 928	0.0	16.1	6,340.4	13.0
HB 3211 ³	<u>0.0</u>	<u>0.0</u>	<u>6,340.4</u>	13.0
Total	<u>\$ 48,872.8</u>	<u>\$ 55,213.2</u>	<u>\$ 6,340.4</u>	13.0%

- Both of these columns show cumulative amounts.
- 1998-99 amount includes emergency appropriations in SB 472; 2000-01 amounts do not reflect Governor's vetoes.
- Appropriations in HB 3211 of \$18.6 million in 2000 and \$18.6 million in 2001 from the General Revenue Fund are contingent on a finding by the Comptroller after adjournment of the Seventy-sixth Legislature that sufficient revenue is available in the General Revenue Fund. At this time, the Comptroller has certified HB 3211, but has not issued a finding of fact that sufficient revenue is available.

**GENERAL APPROPRIATIONS ACT
AS MODIFIED BY OTHER LEGISLATION
All Funds
Biennial Expenditures and Appropriations
1998-99 and 2000-01
(In Millions)**

	1998-99 <u>Expended/Budgeted</u>	2000-01 <u>Appropriated</u>	Cumulative Change ¹	
			<u>Amount</u>	<u>Percent</u>
HB 1 ²	\$ 88,511.8	\$ 98,122.2	\$ 9,610.4	10.9%
SB 4	0.0	60.0	9,670.4	10.9
SB 928	0.0	16.7	9,687.1	10.9
HB 3211 ³	<u>0.0</u>	<u>0.0</u>	<u>9,687.1</u>	10.9
Total	<u>\$ 88,511.8</u>	<u>\$ 98,198.9</u>	<u>\$ 9,687.1</u>	10.9%

- Both of these columns show cumulative amounts.
- 1998-99 amount includes emergency appropriations in SB 472; 2000-01 amounts do not reflect Governor's vetoes.
- Appropriations in HB 3211 of \$18.6 million in 2000 and \$18.6 million in 2001 from the General Revenue Fund are contingent on a finding by the Comptroller after adjournment of the Seventy-sixth Legislature that sufficient revenue is available in the General Revenue Fund. At this time, the Comptroller has certified HB 3211, but has not issued a finding of fact that sufficient revenue is available.